KENYON COLLEGE

CONSOLIDATED FINANCIAL REPORT

JUNE 30, 2011 and 2010

KENYON COLLEGE

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maloney+novotny LLC

The Board of Trustees
Kenyon College
Gambier, Ohio

Independent Auditors' Report

We have audited the accompanying consolidated statements of financial position of Kenyon College as of June 30, 2011 and 2010, and the related consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Kenyon College as of June 30, 2011 and 2010, 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.

Maloney + Novotny LLC

Cleveland, Ohio
October 27, 2011

KENYON COLLEGE

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2011 and 2010

	2011	2010
ASSETS		
Cash and cash equivalents	$ 21,044,013	$ 20,906,112
Equity investments	240,912,864	169,539,536
Fixed income investments	117,189,098	149,172,138
Accounts and interest receivable	1,561,648	2,807,059
Inventories	582,555	622,626
Present value of pledges receivable	30,335,545	36,241,423
Loans receivable	5,529,776	5,628,828
Interests in charitable trusts	3,257,216	2,700,575
Land	2,019,689	1,700,694
Equipment and furniture, net of accumulated depreciation of $16,546,918 and $14,908,596 at June 30, 2011 and 2010, respectively	9,734,160	9,317,534
Library books and periodicals, net of accumulated depreciation of $9,597,502 and $9,673,791 at June 30, 2011 and 2010, respectively	9,728,024	8,517,890
Buildings and building improvements, net of accumulated depreciation of $66,534,120 and $61,048,008 at June 30, 2011 and 2010, respectively	168,294,079	172,850,779
Construction work-in-progress	31,498,202	15,229,791
Other assets	3,574,747	3,971,461
Total assets	$ 645,261,616	$ 599,206,446

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

KENYON COLLEGE

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2011 and 2010

	2011	2010
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable, accrued expenses and agency funds	$ 12,901,032	$ 8,685,296
Fair value of interest rate swaps	5,642,920	5,999,473
Deposits and advances	2,823,993	3,046,917
Liability for post-retirement benefits	4,763,978	4,581,197
Annuities, life income, pooled life income and unitrust payable	3,139,713	3,378,153
Government loan funds	1,898,559	1,880,676
Capital lease obligations, net	188,217,970	188,897,483
Total liabilities	219,388,165	216,469,195
NET ASSETS		
Unrestricted	249,693,270	206,435,445
Temporarily restricted	36,387,120	44,174,057
Permanently restricted	139,793,061	132,127,749
Total net assets	425,873,451	382,737,251
Total liabilities and net assets	$ 645,261,616	$ 599,206,446

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

KENYON COLLEGE

CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended June 30, 2011
(With Comparative Totals for Year Ended June 30, 2010)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2011 Total	2010 Total
OPERATING REVENUES					
Tuition and mandatory fees	$ 64,613,617			$ 64,613,617	$ 64,522,299
Less: Financial aid	(22,993,422)			(22,993,422)	(21,211,368)
Net tuition and mandatory fees	41,620,195			41,620,195	43,310,931
Auxiliary enterprise revenues	20,530,679			20,530,679	16,357,223
Investment return designated for operations	15,964,475	$ 5,576,473		21,540,948	17,413,768
Private gifts and grants	5,326,037	3,502,113		8,828,150	8,655,620
Government grants	686,303			686,303	711,733
Miscellaneous fees	1,368,929			1,368,929	1,514,016
Other income	1,353,021	100,473		1,453,494	1,433,138
Net assets released from restrictions	13,928,507	(13,928,507)		-	-
Total operating revenues	100,778,146	(4,749,448)		96,028,698	89,396,429
OPERATING EXPENSES					
Instruction	31,059,004			31,059,004	31,163,036
Student services	19,941,491			19,941,491	18,727,710
Academic support	5,443,799			5,443,799	5,894,121
Research	376,434			376,434	280,206
Institutional support	9,332,275			9,332,275	8,836,269
Fund raising	2,410,502			2,410,502	2,420,443
Auxiliary enterprises	19,693,830			19,693,830	17,896,813
Total operating expenses	88,257,335			88,257,335	85,218,598
Change in net assets from operating activities	12,520,811	(4,749,448)		7,771,363	4,177,831
NON-OPERATING ACTIVITIES					
Contributions and pledges	548,813	4,118,952	$ 7,218,316	11,886,081	12,113,396
Investment return, less amounts designated for operations	18,907,958	4,007,135	384,685	23,299,778	6,182,087
Change in value of interest rate swap	356,553			356,553	(250,914)
Loss on early extinguishment of debt				-	(2,638,377)
Net change in annuity and life income funds	111,825	(31,938)	167,487	247,374	298,204
Loss on disposal of property and equipment	(273,500)			(273,500)	(1,889,993)
Miscellaneous	(46,273)		(105,176)	(151,449)	94,481
Net assets released from restrictions	11,131,638	(11,131,638)		-	-
Change in net assets from non-operating activities	30,737,014	(3,037,489)	7,665,312	35,364,837	13,908,884
CHANGE IN NET ASSETS	43,257,825	(7,786,937)	7,665,312	43,136,200	18,086,715
NET ASSETS AT BEGINNING OF YEAR	206,435,445	44,174,057	132,127,749	382,737,251	364,650,536
NET ASSETS AT END OF YEAR	$ 249,693,270	$ 36,387,120	$ 139,793,061	$ 425,873,451	$ 382,737,251

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

KENYON COLLEGE

CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended June 30, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	2010 Total
OPERATING REVENUES				
Tuition and mandatory fees	$ 64,522,299			$ 64,522,299
Less: Financial aid	(21,211,368)			(21,211,368)
Net tuition and mandatory fees	43,310,931			43,310,931
Auxiliary enterprise revenues	16,357,223			16,357,223
Investment return designated for operations	15,732,532	$ 1,681,236		17,413,768
Private gifts and grants	5,456,998	3,198,622		8,655,620
Government grants	711,733			711,733
Miscellaneous fees	1,514,016			1,514,016
Other income	1,317,161	115,977		1,433,138
Net assets released from restrictions	12,983,103	(12,983,103)		-
Total operating revenues	97,383,697	(7,987,268)		89,396,429
OPERATING EXPENSES				
Instruction	31,163,036			31,163,036
Student services	18,727,710			18,727,710
Academic support	5,894,121			5,894,121
Research	280,206			280,206
Institutional support	8,836,269			8,836,269
Fund raising	2,420,443			2,420,443
Auxiliary enterprises	17,896,813			17,896,813
Total operating expenses	85,218,598			85,218,598
Change in net assets from operating activities	12,165,099	(7,987,268)		4,177,831
NON-OPERATING ACTIVITIES				
Contributions and pledges	464,335	1,655,477	$ 9,993,584	12,113,396
Investment return, less amounts designated for operations	3,999,209	1,645,001	537,877	6,182,087
Change in value of interest rate swap	(250,914)			(250,914)
Loss on early extinguishment of debt	(2,638,377)			(2,638,377)
Net change in annuity and life income funds	(710)	(10,211)	309,125	298,204
Loss on disposal of property and equipment	(1,889,993)			(1,889,993)
Miscellaneous	13,159		81,322	94,481
Net assets released from restrictions	5,208,925	(5,423,867)	214,942	-
Change in net assets from non-operating activities	4,905,634	(2,133,600)	11,136,850	13,908,884
CHANGE IN NET ASSETS	17,070,733	(10,120,868)	11,136,850	18,086,715
NET ASSETS AT BEGINNING OF YEAR	189,364,712	54,294,925	120,990,899	364,650,536
NET ASSETS AT END OF YEAR	$ 206,435,445	$ 44,174,057	$ 132,127,749	$ 382,737,251

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

KENYON COLLEGE

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended June 30, 2011 and 2010

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 43,136,200	$ 18,086,715
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization expense	7,194,529	8,154,887
Amortization of bond discount (premium)	5,487	(1,937)
Change in fair value of interest rate swap	(356,553)	250,914
Loss on disposal of property and equipment	273,500	1,889,993
Realized and unrealized gains	(27,758,619)	(17,266,361)
Contributions for permanently restricted purposes	(7,625,118)	(7,070,523)
Changes in operating assets and liabilities:		
Accounts and interest receivable	1,245,411	(720,203)
Inventories	40,071	60,563
Present value of pledges receivable	5,905,878	4,158,300
Loans receivable	99,052	(400,540)
Interests in charitable trusts	(556,641)	(75,525)
Other assets	396,714	(751,623)
Accounts payable, accrued expenses and agency funds	4,215,736	2,826,346
Deposits and advances	(222,924)	(309,964)
Liability for postretirement benefits	182,781	450,283
Annuities, life income, pooled life income and unitrusts payable	(238,440)	(243,782)
Government loan funds	17,883	14,260
Net cash provided by operating activities	25,954,947	9,051,803
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of land, buildings, equipment and furniture	(19,991,649)	(10,912,853)
Purchases of library books and periodicals	(1,133,846)	(1,042,503)
Purchase of securities	(54,609,633)	(129,413,599)
Sale of securities	73,380,721	102,852,657
Increased investment in limited partnerships	(30,402,757)	(12,031,640)
Net cash used in investing activities	(32,757,164)	(50,547,938)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions for permanently restricted purposes	7,625,118	7,070,523
Payments on capital leases	(685,000)	(665,000)
Cash payments for retirement of bonds	-	(87,100,000)
Issuance of bonds	-	100,189,867
Net cash provided by financing activities	6,940,118	19,495,390
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	137,901	(22,000,745)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	20,906,112	42,906,857
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 21,044,013	$ 20,906,112
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 5,799,768	$ 5,688,478

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

Note 1. Summary of Significant Accounting Policies

A. *Organization* – Kenyon College (the College), a private educational institution, derives its income from student tuition and fees, investments, gifts and grants, operation of residence and dining halls and related activities.

B. *Use of Estimates* – 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. *Basis for Consolidation* – The accounts of the Kenyon Inn Management Company, a wholly-owned subsidiary of the College, and the Philander Chase Corporation have been consolidated with the accounts of the College in the accompanying consolidated financial statements. The accounts of the Kenyon Review, the College's literary periodical (a legally separate entity), have been combined in the accompanying consolidated financial statements of Kenyon College. All significant intercompany accounts and transactions have been eliminated.

D. *Liquidity* – Assets and liabilities are listed in their estimated order of liquidity. For those accounts for which such liquidity is unclear, additional disclosures have been made in the accompanying notes to the College's consolidated financial statements.

E. *Fair Values of Financial Instruments* – GAAP provides a framework for measuring fair value and requires a three level hierarchy for disclosure to show the extent and the level of judgment used to estimate fair value measurements related to financial instruments:

Level 1 – Uses unadjusted quoted prices that are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Uses inputs other than Level 1 that are either directly or indirectly observable as of the reporting date through correlation with market data, including quoted prices for similar assets or liabilities in active markets and quoted prices in markets that are not active. Level 2 also includes assets and liabilities that are valued using models or other pricing methodologies that do not require significant judgment since the input assumptions used in the models, such as interest rates and volatility factors, are corroborated by readily observable data.

Level 3 – Uses inputs that are unobservable and are supported by little or no market activity and reflect the use of significant management judgment. These values are generally determined using pricing models and market assumptions.

The following methods and assumptions were used to estimate the fair values of each class of financial instruments for which it is practicable to estimate that value:

Cash and Cash Equivalents

The carrying amount approximates fair value due to the short maturity of those instruments.

Note 1. Summary of Significant Accounting Policies (Continued)

E. *Fair Values of Financial Instruments (Continued)*

Equity Investments

Common Stocks

The fair values of these investments are estimated based on quoted market prices for these or similar investments, generally considered Level 1 valuations.

Alternative Investments

Hedge and Alternative Funds

Hedge and alternative funds are investments in securities where a readily verifiable fair value may not exist and/or is not available to management. Fair value of these investments is reported by management based on information provided by the investment managers. Values may be based on readily available public market data and values may also be based on estimates that require varying degrees of judgment. Generally, fair value reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses. The financial statements of the investees are audited annually by independent auditors as of December 31, the most recent being as of December 31, 2010. These assets are generally valued using Level 2 or Level 3 assumptions.

Private Equity, Real Estate and Commodities

Private equity, real estate funds and commodities are investments where a readily verifiable fair value may or may not exist. Fair value in these investments is reported by management based on readily available public market data, generally considered Level 1 valuations, or on information provided by the investment managers, based on the College's share of the partnership's capital balance. The fair value of limited partnerships and similar nonmarketable equity interests which invest in both publicly and privately owned securities is based on estimates and assumptions of the general partners or partnership valuation committees in the absence of readily determined market values. Such valuations generally reflect discounts for illiquidity and consider variables such as financial performance of investments, recent sales prices of investments and other pertinent information. The financial statements of the investees are audited annually by independent auditors as of December 31, the most recent being as of December 31, 2010. These assets are generally valued using Level 3 assumptions.

Fixed Income Investments

Marketable Funds

Fixed income marketable funds are investments where readily verifiable fair value may or may not exist. Fair value in these investments is reported by management based on readily available public market data, generally considered Level 1 valuations, or on information provided by the investment managers, based on the College's share of the partnership's capital balance.

Note 1. Summary of Significant Accounting Policies (Continued)

E. *Fair Values of Financial Instruments (Continued)*

Fixed Income Investments (Continued)

Alternative Funds

Alternative funds are investments in securities where a readily verifiable fair value may not exist and/or is not available to management. Fair value of these investments is reported by management based on information provided by the investment managers. Values may be based on readily available public market data and values may also be based on estimates that require varying degrees of judgment. Generally, fair value reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses. The financial statements of the investees are audited annually by independent auditors as of December 31, the most recent being as of December 31, 2010. These assets are generally valued using Level 2 or Level 3 assumptions.

Loans Receivable

Federal Perkins Loans Receivable

The interest rates charged on Perkins loans receivable are fixed by the U.S. Department of Education and do not necessarily fluctuate with market conditions. Because there is no market for Federal Loans, the carrying value approximates fair value.

Kenyon College Loans Receivable

The interest rates charged on Kenyon College loans are fixed by the College and are consistent with market rates. Accordingly, the carrying amount reported approximates fair value.

Pledges Receivable

Pledges receivable are recorded at the present value of the discounted future cash flows, based on current market interest rates on the date of the contribution. The carrying value of pledges receivable, therefore, approximates their fair value.

Interests in Charitable Trusts

Contributions receivable from remainder trusts are recorded at the present value of the projected net future cash flows to be received, based on current market interest rates. Their carrying value, therefore, approximates their fair value. The College's share of interests in perpetual trusts is recorded at fair market value. Because the College does not have access to these assets on a short-term basis, these are considered Level 3 valuations.

Annuities, Pooled Life Income, Life Income and Unitrust Payable

The carrying value of these accounts is actuarially determined based on the present value of the discounted estimated future cash flows using market interest rates on the date of contribution and, therefore, approximates fair value. The annual payments on the annuities range from $335 to $47,615.

Note 1. Summary of Significant Accounting Policies (Continued)

E. *Fair Values of Financial Instruments (Continued)*

Long-Term Debt

The fair value of the College's long-term debt, based on the College's current incremental borrowing rates for similar types of borrowing arrangements, approximates its carrying amount.

The following tables set forth by level within the fair value hierarchy the College's financial assets and liabilities that were accounted for at a fair value on a recurring basis as of June 30, 2011 and 2010. The financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The College's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and their placement within the fair value hierarchy levels. The tables do not include cash on hand or other assets and liabilities that are measured at historical cost or any basis other than fair value.

Interest Rate Swap

The fair value of the interest rate swaps is based on projected interest rates for the duration of the swaps, values that, while observable in the market, are subject to adjustment due to pricing considerations for the specific instrument. The resulting fair values are generally considered Level 2 valuations.

June 30, 2011	Level 1	Level 2	Level 3	Total
Assets				
Equity Investments				
Common Stocks	$ 40,670,068	$ 18,918,318		$ 59,588,386
Alternative Investments:				
Hedge and Alternative Funds		22,754,546	$ 54,767,017	77,521,563
Private Equity			66,711,089	66,711,089
Real Estate	1,101,502		26,391,033	27,492,535
Commodities	3,638,458		5,960,833	9,599,291
Total alternative investments	4,739,960	22,754,546	153,829,972	181,324,478
Total Equity Investments	$ 45,410,028	$ 41,672,864	$ 153,829,972	$ 240,912,864
Fixed Income Investments				
Marketable Funds	$ 62,604,621	$ 44,654,944		$ 107,259,565
Alternative Funds			$ 9,929,533	9,929,533
Total Fixed Income Investments	$ 62,604,621	$ 44,654,944	$ 9,929,533	$ 117,189,098
Interests in Charitable Trusts			$ 3,257,216	$ 3,257,216
Liabilities				
Interest rate swap		$ 5,642,920		5,642,920

Note 1. Summary of Significant Accounting Policies (Continued)

E. *Fair Values of Financial Instruments (Continued)*

June 30, 2010	Level 1	Level 2	Level 3	Total
Assets				
Equity Investments				
Common Stocks	$ 12,065,398	$ 18,500,000		$ 30,565,398
Alternative Investments:				
Hedge and Alternative Funds		8,332,456	$ 53,076,910	61,409,366
Private Equity			55,471,025	55,471,025
Real Estate			15,311,146	15,311,146
Commodities	1,908,189		4,874,412	6,782,601
Total alternative investments	1,908,189	8,332,456	128,733,493	138,974,138
Total Equity Investments	$ 13,973,587	$ 26,832,456	$ 128,733,493	$ 169,539,536
Fixed Income Investments				
Marketable Funds	$ 76,416,567	$ 60,939,852		$ 137,356,419
Alternative Funds		202,517	$ 11,613,202	11,815,719
Total Fixed Income Investments	$ 76,416,567	$ 61,142,369	$ 11,613,202	$ 149,172,138
Interests in Charitable Trusts			$ 2,700,575	$ 2,700,575
Liabilities				
Interest rate swap		$ 5,999,473		5,999,473

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs) are as follows for the years ended June 30, 2011 and 2010:

	June 30, 2011					
Financial Instrument	Beginning Balance	Reclassification Between Levels	Purchases	Distributions	Realized/ Unrealized Gains	Ending Balance
Equity Investments						
Alternative Investments:						
Hedge and Alternative Investments	$ 53,076,910	$ (2,360,415)		$ (79,852)	$ 4,130,374	$ 54,767,017
Private Equity	55,471,025		$ 8,793,732	(13,052,852)	15,499,184	66,711,089
Real Estate	15,311,146		6,773,507	(1,610,521)	5,916,901	26,391,033
Commodities	4,874,412		1,587,985	(1,278,025)	776,461	5,960,833
Total Equity Investments	128,733,493	(2,360,415)	17,155,224	(16,021,250)	26,322,920	153,829,972
Fixed Income Investments:						
Alternative Funds	11,613,202		1,388,736	(4,150,571)	1,078,166	9,929,533
Interest in Charitable Trusts	2,700,575			(86,921)	643,562	3,257,216
	$ 143,047,270	$ (2,360,415)	$ 18,543,960	$ (20,258,742)	$ 28,044,648	$ 167,016,721

Note 1. Summary of Significant Accounting Policies (Continued)

E. *Fair Values of Financial Instruments (Continued)*

	June 30, 2010					
Financial Instrument	Beginning Balance	Reclassification Between Levels	Purchases	Distributions	Realized/ Unrealized Gains (Losses)	Ending Balance
Equity Investments						
Alternative Investments:						
Hedge and Alternative Investments	$ 70,096,115	$ (14,717,934)	$ 5,000,000	$ (3,366,473)	$ (3,934,798)	$ 53,076,910
Private Equity	48,005,823		8,382,109	(4,352,144)	3,435,237	55,471,025
Real Estate	14,441,932		3,877,939	(797,554)	(2,211,171)	15,311,146
Commodities	4,372,383	(25,943)	671,785	(1,055,607)	911,794	4,874,412
Total Equity Investments	136,916,253	(14,743,877)	17,931,833	(9,571,778)	(1,798,938)	128,733,493
Fixed Income Investments:						
Alternative Funds	13,035,019	(4,532,715)	1,544,932	(250,481)	1,816,447	11,613,202
Interest in Charitable Trusts	1,197,614	1,427,436		(119,931)	195,456	2,700,575
	$ 151,148,886	$ (17,849,156)	$ 19,476,765	$ (9,942,190)	$ 212,965	$ 143,047,270

The College transferred $67,224,871 of investments from Level 1 to Level 2 valuations during 2011. The underlying investments in the funds were publicly traded, however, the fund value was calculated using a net asset value calculation necessitating a transfer to Level 2. The funds were deemed to have sufficient liquidity to merit Level 2 valuations. The College had net transfers from Level 3 valuations to Level 2 valuations of $2,360,415 and $17,849,156, for 2011 and 2010, respectively. These transfers were due to changes in the College's understanding of each fund's net asset value and liquidity and the liquidity of its interests in charitable trusts.

F. *Cash Equivalents* – The College considers investments with a maturity of three months or less when purchased to be cash equivalents on the consolidated statements of financial position and for purposes of preparing the consolidated statements of cash flows. The College maintains cash and equivalent balances at various financial institutions which, at times, may exceed federally insured limits.

G. *Interest Rate Swap* – Derivative instruments (interest rate swaps) are recorded by the College on the consolidated statements of financial position at fair value, as described in Note 1.E. The College's interest rate swap agreement is used to manage exposure to interest rate movement by effectively changing the variable rates on the College's bonds payable to a fixed rate. The critical terms of the interest rate swap agreements and the interest-bearing debt associated with the swap agreements are similar. The interest rate swaps qualify and have been designated and accounted for as fair value hedges. Changes in fair market value of the interest rate swap are recognized as a change in net assets on the consolidated statements of activities in the period of change, following GAAP guidance specific to non-for-profit organizations (see Note 8).

Note 1. Summary of Significant Accounting Policies (Continued)

H. *Investments* – Investments are carried at fair value as described in Note 1.E. Investments received from donors as gifts are recorded at fair value at the date of gift. Investment return includes interest, dividends and both realized and unrealized gains and losses.

Alternative investments include interests in hedge funds, private equity, real estate and other alternative assets. The College held alternative investments valued at $163,759,505 and $140,346,695, representing 25% and 23% of the total assets as of June 30, 2011 and 2010, respectively. Because alternative investments may not be entirely readily marketable, part of their estimated fair value is subject to uncertainty and, therefore, may differ from the value that would have been reported had a ready market for such investments existed. Such differences could be material. Also see *Fair Values of Financial Instruments* section.

I. *Operations* – The consolidated statements of activities include a subtotal for the change in net assets from operations. This subtotal reflects revenues that the College received for operating purposes, including investment income derived from the College's endowment payout formula. Nonoperating activity reflects the change in appreciation/depreciation on long-term investments in excess of the amount appropriated using the endowment payout formula, contributions for endowment and plant purposes, gains or losses on the disposal of property and equipment, the net change in annuity and life income funds and other investment income.

J. *Loans Receivable* – Loans receivable are carried at unpaid principal balances, less an allowance for uncollectible loans of $40,000 at June 30, 2011 and 2010. Periodic evaluation of the adequacy of the allowance is based on past loan loss experience and current economic conditions. Interest income is recorded as monthly payments are received. Loans receivable are considered to be past due if a payment is not made within 30 days of the payment due date. Interest on past due loans is not accrued and recognized only to the extent cash payments are received.

K. *Expiration of Donor-Imposed Restrictions* – The expiration of a donor-imposed restriction on a contribution or on endowment income is recognized in the period in which the restriction expires and at that time the related resources are reclassified to unrestricted net assets. A restriction expires when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled or both.

Contributions of land, buildings and equipment without donor stipulations concerning the use of such long-lived assets are reported as revenues of unrestricted net assets. Contributions of cash or other assets to be used to acquire land, buildings and equipment with such donor stipulations are reported as revenues of temporarily restricted net assets. The restrictions are considered to be released at the time of acquisition of such long-lived assets.

L. *Funds Held in Trust by Others* – Irrevocable charitable remainder trusts and charitable lead trusts that are held in trust by others have been included in the College's accompanying consolidated financial statements pursuant to *Accounting for Contributions Received and Contributions Made*, as an asset and as contribution revenue as of the date the College is notified of its interest in the irrevocable trust.

M. *Land, Buildings, Equipment and Depreciation* – Acquisitions of land, buildings and equipment are stated at cost or at the fair market value of the properties when acquired by gift. It is the policy of the College to capitalize additions and, for replacements, to capitalize the incremental increase in cost of plant and equipment items. Maintenance, repairs and minor renewals are charged to expense when incurred.

Note 1. Summary of Significant Accounting Policies (Continued)

M. *Land, Buildings, Equipment and Depreciation (Continued)*

The College recognizes depreciation on the straight-line method over the estimated useful life for each major category of assets. These estimated useful lives are summarized in the following table:

Land improvements	10-50 years
Buildings and building improvements	40 years
Equipment and furniture	3-20 years
Library books	20 years

Depreciation expense for the years ended June 30, 2011 and 2010 was $7,194,529 and $8,154,887, respectively.

N. *Net Assets* – Net assets are classified into three categories: unrestricted net assets which have no donor-imposed restrictions, temporarily restricted net assets which have donor-imposed restrictions that will expire in the future and permanently restricted net assets which have donor-imposed restrictions which do not expire.

O. *Federal Income Taxes* – The Internal Revenue Service has determined that the College is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as a public charity described in Section 501(c)(3); accordingly, no provision for federal income taxes has been made in the consolidated financial statements. There were no unrecognized tax benefits as of June 30, 2011.

As of June 30, 2011, the College's income tax returns from 2007 and thereafter remain subject to examination by the Internal Revenue Service, as well as various state and local taxing authorities.

P. *Conditional Asset Retirement Obligations* – *Accounting for Conditional Asset Retirement Obligations* clarified when an entity is required to recognize a liability for a conditional asset retirement obligation. Management has considered the provisions of *Accounting for Conditional Asset Retirement Obligations*, specifically as it relates to its legal obligations to perform asset retirement activities on its existing properties. Management believes that there is an indeterminate settlement date for the asset retirement obligations because the range of time over which the College may settle the obligations is unknown and cannot be estimated. As a result, management cannot reasonably estimate the liability related to these asset retirement activities as of June 30, 2011.

Q. *Reclassifications* – Certain 2010 amounts have been reclassified to conform to the 2011 presentation.

R. *Contingencies* – The College is involved in litigation and is subject to certain claims that arise in the normal course of operations. In the opinion of management, the ultimate disposition of the litigation and claims will not have a material adverse effect on the College's operations or financial position.

S. *Subsequent Events* – The College has evaluated subsequent events through October 27, 2011, which is the date the consolidated financial statements were available to be issued.

Note 2. Investments

The fair value of investments is as follows (refer to Note 1 for information related to fair values):

	June 30	
	2011	2010
Equity investments:		
Common stocks	$ 59,588,386	$ 30,565,398
Alternative investments:		
Hedge and alternative funds	77,521,563	61,409,366
Private equity	66,711,089	55,471,025
Real estate	27,492,535	15,311,146
Commodities	9,599,291	6,782,601
Total alternative investments	181,324,478	138,974,138
Total equity investments	240,912,864	169,539,536
Fixed income investments:		
Marketable funds	107,259,565	137,356,419
Alternative funds	9,929,533	11,815,719
Total fixed income investments	117,189,098	149,172,138
	$ 358,101,962	$ 318,711,674

The composition of investment return is as follows:

	Fiscal Years Ended June 30	
	2011	2010
Investment income (interest and dividends)	$ 17,082,107	$ 6,329,494
Realized gains	4,931,978	11,953,185
Unrealized gains	22,826,641	5,313,176
	$ 44,840,726	$ 23,595,855

Investment income is shown net of investment expenses of $2,415,717 for the year ended June 30, 2011 and $2,043,531 for the year ended June 30, 2010.

The College was obligated at June 30, 2011 to invest additional funds in limited partnership investments in the amount of $45,482,507 at the direction of the general partners. These capital calls may be funded through distributions from current limited partnerships, liquidations of investments currently held by the College, new gifts and/or unrestricted net assets.

Pooled Endowment Assets

The College's endowment assets consist of two groupings: 1) those funds which can be pooled together for purposes of investment and payout and 2) those funds which by donor restriction, either as to investment or payout, must be separately invested. The assets of the pooled funds consist of all investment types disclosed above and income is distributed based on a Board approved payout formula as described in Note 3.

Note 2. Investments (Continued)

Pooled Endowment Assets (Continued)

The following summarizes pertinent data relating to the pooled assets that are included in the investments of the College:

	June 30 2011	June 30 2010
Cost	$ 161,602,202	$ 140,482,810
Market value	176,259,421	139,798,728
Number of units	568,282	386,481
Market value of unit	$ 310.16	$ 361.72

The payout rate per unit held the entire year, as calculated using the spending formula approved by the Board of Trustees (see Note 3), was $15.41. Units received during the year received a prorated amount.

The fair value of assets associated with certain individual donor-restricted endowment funds was below the original donated value by $4,119,255 and $5,457,062 at June 30, 2011 and 2010, respectively.

The following tabulation summarizes the relationship between cost and market values as well as investment return of all endowment fund investments:

	Market	Cost	Excess of Market Value Over Cost
June 30, 2011			
End of year	$ 179,922,748	$ 165,204,313	$ 14,718,435
Beginning of year	158,752,274	155,800,708	2,951,566
Change in accumulated unrealized gain			11,766,869
Interest and dividends, net of trustee fees and net realized gains for the year			10,587,472
Total return			$ 22,354,341

Note 3. Endowment Funds

The Investment Committee is charged by the Board of Trustees to oversee the investment process. For endowment funds, the objective is to achieve superior long term real total returns such that the requirements of the annual budget are met while allowing for significant growth, all within the confines of reasonable risk. In this regard, specific responsibilities include the hiring, monitoring and changing of investment managers, performance monitoring, establishing asset classes, allocation targets and ranges and rebalancing strategies. As part of its overall mission, the Investment Committee maintains a detailed *Statement of Purpose and Policies* and it regularly reviews the appropriateness of the contents in light of the current investment environment. In conjunction with the Budget and Finance Committee of the Board of Trustees, the Investment Committee recommends to the full Board spending policies in respect to the annual distribution from endowment funds.

Note 3. Endowment Funds (Continued)

For the year ended June 30, 2011, the College utilized a spending formula to calculate the distribution out of its investment portfolio. The formula is composed of two elements: 1) a market element adjusts annual endowment spending to the long-term sustainable target spending of 4.00% of the average actual market value of the endowment for the most recent three years. This element of the spending rate receives a 30% weighting in the spending rate calculation and 2) a spending element increases last year's spending rate by a factor for inflation (3.5%) plus budget growth (1.50%). This element of the spending rate receives a weight of 70%. The distributed earnings are considered appropriated for expenditure and recorded as net assets released from restrictions on the statement of activities as spent.

The College's endowment funds were as follows as of June 30, 2011 and 2010:

June 30, 2011	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment assets, beginning of year,	$ 47,623,992	$ 5,067,964	$ 107,705,907	$ 160,397,863
Investment return:				
Investment income	3,251,211	7,333,610		10,584,821
Net appreciation (realized and unrealized)	10,812,402	954,467	2,651	11,769,520
Total investment return	14,063,613	8,288,077	2,651	22,354,341
Cash contributions	343,702		7,272,649	7,616,351
Transfers	(1,384,450)	1,384,450		
Appropriation of endowment assets for expenditure	(3,009,682)	(5,497,022)		(8,506,704)
Endowment assets, end of year	$ 57,637,175	$ 9,243,469	$ 114,981,207	$ 181,861,851

June 30, 2010	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment assets, beginning of year,	$ 47,174,232	$ 3,238,362	$ 100,643,256	$ 151,055,850
Investment return:				
Investment income	418,953	1,529,902		1,948,855
Net appreciation (realized and unrealized)	4,738,015	1,522,386	192,929	6,453,330
Total investment return	5,156,968	3,052,288	192,929	8,402,185
Cash contributions	738,997		6,869,722	7,608,719
Appropriation of endowment assets for expenditure	(5,446,205)	(1,222,686)		(6,668,891)
Endowment assets, end of year	$ 47,623,992	$ 5,067,964	$ 107,705,907	$ 160,397,863

Note 3. Endowment Funds (Continued)

Based on the College's spending formula, as of June 30, 2011 and 2010 an additional $3,307,618 and $1,645,589, respectively, has been appropriated for expenditure out of temporarily restricted funds.

Note 4. Pledges Receivable

As of June 30, 2011, the College had received unconditional promises to give as follows:

	Temporarily Restricted	Permanently Restricted	Total
Within one year	$ 6,238,608	$ 3,148,682	$ 9,387,290
One to two years	2,494,284	1,901,774	4,396,058
Two to three years	2,153,400	2,715,338	4,868,738
Three to four years	2,498,400	483,400	2,981,800
Four to five years	1,750,135	2,321,500	4,071,635
More than five years (estate notes)	2,482,500	8,795,000	11,277,500
	17,617,327	19,365,694	36,983,021
Discount on long-term pledges	(1,632,602)	(4,794,842)	(6,427,444)
Allowances for uncollectible pledges	(185,416)	(34,616)	(220,032)
	$ 15,799,309	$ 14,536,236	$ 30,335,545

The amounts are recorded at the present value of future cash flows discounted using rates for one to twenty-six year treasury securities ranging from 0.19% to 4.32%.

As of June 30, 2010, the College had received gross unconditional promises totaling $43,120,034 net of allowances for uncollectible pledges of $192,518 and discount on long-term pledges of $6,686,093.

Note 5. Available Line of Credit

Under an unused and unsecured line of credit with a bank, the College may borrow up to $15,000,000 at a rate of 4.0% as of June 30, 2011.

Note 6. Guaranteed Loans

The College offers a home mortgage loan guarantee program to certain members of its faculty and administration. Under this program, the College guarantees 100% of the outstanding mortgage loans until such time as the outstanding amount on each loan is reduced to 70% of the original appraised value or contract price of the property, at which time the guarantee is released. Under the program, the College has the right to purchase the mortgage loans from the lenders in the event of default by an employee. As of June 30, 2011, the College has guaranteed mortgage loans aggregating $3,492,051. All loans were current as of June 30, 2011. The College deems it unlikely that the full amount of the guarantee would be called by the banks.

Note 7. Retirement and Postretirement Benefit Plans

The College has three defined contribution retirement plans which cover substantially all employees. Eligible employees may contribute a percentage of their compensation. The College contributes 9.5% of the employee's compensation for all employees who contribute a minimum deferral of 3% or 5% depending on the plan. The College's contributions to the plans were $2,942,509 and $2,833,408 during the years ended June 30, 2011 and 2010, respectively.

In addition to the College's defined contribution retirement plans, the College has two additional postretirement benefit plans. One plan provides certain health care benefits for retired employees. The College makes defined contributions to the plan on behalf of eligible employees who are 35 years of age or older and have completed at least one year of service. The College's contributions are limited to 25 years or the employee's separation from employment, whichever occurs first. The College contributed $516,187 and $470,983 for the years ended June 30, 2011 and 2010, respectively.

The second plan is a defined benefit postretirement plan which provides life insurance benefits applicable only to two groups: 1) grandfathered members of the collective bargaining unit who were active as of February 4, 1974 and 2) members of the faculty who retire under early retirement agreements with coverage to continue for a maximum of five years. Because of the short period of coverage for faculty members covered by this plan, the value of this benefit for them is not material to the calculation of the postretirement valuation and, therefore, has not been included. The College reserves the right to modify or terminate these retiree payments at any time. The amount of funding activity is determined at the discretion of management. Currently, the College has not funded any portion of the liability.

The only remaining medical liabilities valued under *Employers' Accounting for Postretirement Benefits Other than Pensions* are those for participants who retired before June 30, 2007 who will receive subsidized premiums post age 65 and for current eligible active employees' pre age 65 coverage.

The College accounts for its defined benefit plans under the provisions of *Employers' Accounting for Defined Benefit Pension and Other Post-Retirement Plans.* This statement requires employers to recognize in their statements of financial position the overfunded or underfunded status of defined benefit plans, measured as the difference between the fair value of plan assets and the projected benefit obligation. Employers must recognize the change in the funded status of the plan in the year in which the change occurs through unrestricted net assets.

Included in unrestricted net assets at June 30, 2011 and 2010 are the following amounts that have not yet been recognized in net periodic benefit cost: unrecognized actuarial loss of $2,599,304 and $2,607,726, respectively, and unrecognized net prior service credit of $4,249,623 and $5,043,794, respectively. The actuarial loss and prior service credit expected to be recognized during the year ended June 30, 2012 are $191,967 and $794,171, respectively.

The following sets forth the plan status with amounts reported in the College's financial statements:

	Fiscal Years Ended June 30	
	2011	2010
Net Periodic Postretirement Benefit Cost		
Service cost	$ 150,110	$ 129,422
Interest cost	224,095	247,759
Amortization of prior service cost	(794,171)	(780,134)
Amortization of unrecognized loss	194,856	145,692
Total net periodic postretirement benefit cost	$ (225,110)	$ (257,261)

Note 7. Retirement and Postretirement Benefit Plans (Continued)

	Fiscal Years Ended June 30	
	2011	2010
Change in Benefit Obligation		
Benefit obligation at beginning of year	$ 4,581,197	$ 4,130,914
Service cost	150,110	129,422
Interest cost	224,095	247,759
Actuarial loss	186,434	577,085
Change in plan provisions	-	(130,687)
Benefits paid	(377,858)	(373,296)
Benefit obligation at end of year	$ 4,763,978	$ 4,581,197

During 2010, the plan was amended to provide benefits to the spouse and/or children for 12 months following the death of the participant. Previously, benefits would continue indefinitely provided the spouse remained unmarried.

Estimated future benefit payments as of June 30, 2011 are as follows:

2012	$ 399,099
2013	405,338
2014	406,389
2015	423,878
2016	433,569
2017-2021	1,852,101

	Fiscal Years Ended June 30	
	2011	2010
Actuarial Assumptions		
Weighted average discount rate:		
Expense for the year	4.85%	6.24%
Accumulated plan benefit obligation (at year-end)	5.00%	4.85%
Medical trend:		
For next year	9.00%	9.00%
Thereafter	8.50%	8.50%
Ultimate trend rate	5.00%	4.50%
Year reached	2019	2019

The medical trend rate assumption has a significant effect on the benefit obligation and other amounts reported. If the medical trend rates were to increase by 1% for each year, the benefit obligation as of June 30, 2011 would increase by $378,932 and the sum of the service and interest cost components of the Net Periodic Postretirement Benefit Cost (NPPBC) for fiscal year 2011 would increase by $37,114. If the medical trend rates were to decrease by 1% for each year, the benefit obligation as of June 30, 2011 would decrease by $281,097 and the sum of the service and interest cost components of the NPPBC for fiscal year 2011 would decrease by $32,657.

Note 8. Capital Lease Obligations

As of June 30, 2011, the College has in place four lease agreements with the Ohio Higher Educational Facility Commission (the Commission) to finance various building and improvement projects. These leases serve as security for the Commission's Higher Educational Facility Revenue Bonds. The bonds are collateralized by a security interest in the buildings and improvements comprising the various projects.

Rental payments under the leases equal the interest and principal payments on related bonds issued by the Commission. The leases give the College the option to purchase the assets at nominal amounts after all bonds are retired. Accordingly, the College has recorded the assets ($155,974,397, net of accumulated depreciation of $58,077,076 as of June 30, 2011) as buildings and the liabilities as capital lease obligations. Amortization of these assets is included in depreciation expense.

All revenues generated by the leased facilities are pledged as collateral for retirement of the bonds.

Summary of Bonds Outstanding

	2011	2010
2002 Adjustable Medium Term Revenue Bonds:		
Currently in three tranches callable July 1, 2014 through July 1, 2016 with rates ranging from 4.00% to 5.05% and a final maturity of July 1, 2037 - outstanding principal	$ 40,500,000	$ 40,500,000
2003 Refunding Revenue Bonds:		
Maturing through December 1, 2016 with rates ranging from 4.00% to 4.50% - outstanding principal	4,730,000	5,415,000
2006 Revenue Bonds:		
Maturing through July 1, 2041 with a rate of 5.00%		
outstanding principal	42,495,000	42,495,000
unamortized premium	280,831	290,192
2010 Revenue Bonds:		
Maturing through July 1, 2044 with rates ranging from 4.75% to 5.25%		
outstanding principal	100,665,000	100,665,000
unamortized discount	(452,861)	(467,709)
Capital lease obligations, net	$ 188,217,970	$ 188,897,483

In December 2002, the College issued adjustable rate medium term bonds with a par value of $75,000,000. In 2006, $5,000,000 of this issue was refunded as part of the 2006 Bonds (see below) and in 2010, $29,500,000 of this issue was refunded as part of the 2010 Bonds (see below) leaving an outstanding par value of $40,500,000. The bond proceeds funded the construction of the Kenyon Athletic Center and the improvement, renovation and equipping of certain educational facilities. The bonds are currently issued in a fixed rate mode. After the end of each fixed rate period, the bonds may operate at any time in one of three modes: daily, weekly or adjustable. The blended interest rate of the placements through June 30, 2011 was 4.85%. The principal payment is due at maturity on July 1, 2037 unless redeemed under provision of the bond. The minimum lease payment, which represents interest, is $1,964,250 for the fiscal year ending June 30, 2012. Thereafter, future minimum lease payments, excluding redemptions and principal due at maturity, will vary based on the mode selected and economic conditions.

Note 8. Capital Lease Obligations (Continued)

Summary of Bonds Outstanding (Continued)

In October 2003, the College issued $6,345,000 of revenue bonds. The proceeds of the bonds were used to refinance various previous bond issues.

In August 2006, the College issued $42,495,000 of revenue bonds. The proceeds of the sale of the bonds were used to 1) provide funds for expanding and renovating Peirce Dining Hall, constructing a child care facility, improving and equipping the Kenyon Athletic Center and renovating and improving residential, academic and administrative facilities on the campus and 2) refund $5,000,000 of the 2002 Bonds. The bonds were issued at a premium for a true interest cost of 4.98%. The original bond premium of $327,636 is being amortized over the term of the bonds.

In February 2010, the College issued Ohio Educational Facility Commission Revenue Bonds, Kenyon College 2010 (the Bonds), in the amount of $100,665,000. These new bonds were used to refinance, in full, three variable rate bond issues. In addition, $29,500,000 of a total $70,000,000 of Ohio Educational Facility Commission Adjustable Medium Term Revenue Bonds, Kenyon College Project 2002, was refinanced.

The amount of rent expensed by the College on its bonds for the year ended June 30, 2011 was $10,092,453 of which $685,000 represents principal and $9,407,453 represents interest. The amount of rent expensed by the College on its bonds for the year ended June 30, 2010 was $7,725,351 of which $665,000 represents principal and $7,060,351 represents interest.

At June 30, 2011, future minimum payments by year and in the aggregate under these capital lease obligations consist of the following:

2012	$ 10,088,140
2013	10,088,422
2014	10,090,478
2015	10,121,040
2016	10,148,266
Remaining amount due	409,473,426
	460,009,772
Amount representing interest	(271,619,772)
Fixed rate obligations outstanding	$ 188,390,000

Interest Rate Swap Agreements

As part of a strategy to manage the College's debt position over time and decrease variable rate risk, the College entered into an interest rate swap agreement in February 2006 in which the College pays a fixed rate, 3.514%, in exchange for receiving a variable rate which is indexed to LIBOR and calculated on a notional amount of $57,600,000. The difference between the fixed interest rate and the variable interest rate is settled on a quarterly basis. The agreement terminates in February 2026.

At the time the 2010 Bonds were issued, which refunded the College's variable rate debt with fixed rate debt, it would have cost the College approximately $5,700,000 to terminate the 2006 swap agreement. The College entered into a second interest rate swap agreement which is the reverse of the February 2006 swap. Under the terms of this agreement, the College pays a variable rate indexed to LIBOR and receives a fixed payment of 2.67% on a notional amount of $57,600,000. This agreement also terminates in February 2026 and effectively finances the $5,700,000 over the remaining life of the initial swap agreement.

Note 8. Capital Lease Obligations (Continued)

Interest Rate Swap Agreements (Continued)

At June 30, 2011 and 2010, the fair value of the 2006 swap was a liability of $7,152,542 and $8,706,785, respectively, and the fair value of the 2010 swap was an asset of $1,509,622 and $2,707,312, respectively. For the fiscal years ended June 30, 2011 and 2010, the College's interest expense was increased by $487,109 and $1,306,457, respectively, as a result of the interest rate swaps.

Note 9. Net Assets

Net assets of the College, and the nature of any restrictions, are summarized below:

	2011	2010
Unrestricted net assets		
Board designated net assets:		
Funds functioning as endowment	$ 57,637,175	$ 47,623,992
Reserves for capital replacement and operating budget support	116,649,050	109,230,039
Total board designated net assets	174,286,225	156,854,031
Other designations of net assets:		
Equity in plant assets (at cost)	50,815,898	36,261,482
Management designated net assets	30,642,271	20,019,385
Unfunded postretirement benefits, compensated absences and early retirement agreements	(6,051,124)	(6,699,453)
Total other designations of net assets	75,407,045	49,581,414
Total unrestricted net assets	$ 249,693,270	$ 206,435,445

Temporarily restricted net assets were restricted as follows:

	2011	2010
Temporarily restricted net assets		
Unexpended endowment income and gifts and grants:		
Faculty and academic support	$ 6,135,930	$ 3,435,722
Student programs	2,047,977	7,215,183
Scholarships, prizes and awards	2,301,885	320,772
Plant improvements	2,590,718	5,467,129
Other programs	3,131,101	1,257,629
Gifts pending donor designation	1,222,901	2,396,429
Total unexpended endowment income and gifts and grants	17,430,512	20,092,864
Present value of pledges receivable	15,799,309	20,840,006
Interests in charitable trusts	916,266	818,005
Life and pooled life income funds	2,241,033	2,423,182
Total temporarily restricted net assets	$ 36,387,120	$ 44,174,057

Note 9. Net Assets (Continued)

Permanently restricted net assets were restricted as follows:

	2011	2010
Permanently restricted net assets		
Endowment funds:		
Faculty and academic support	$ 32,017,357	$ 29,804,731
Lectureship and concert funds	1,137,177	999,676
Library funds	2,982,377	2,633,667
Student programs	2,211,025	2,203,145
Scholarship and prize funds	57,484,672	53,179,927
Presidency funds	3,172,865	3,172,865
Kenyon Review funds	3,582,413	3,240,668
Loan funds	4,321,181	3,668,711
General support	5,153,374	4,943,543
Other funds	2,918,766	3,858,974
Total endowment funds	114,981,207	107,705,907
Present value of pledges receivable	14,536,236	15,401,417
Interests in charitable trusts	2,340,950	1,882,570
Annuity and life income funds	2,566,995	3,075,785
Student loan funds	5,367,673	4,062,070
Total permanently restricted net assets	$ 139,793,061	$ 132,127,749

Note 10. Commitments

As of June 30, 2011, the College has outstanding commitments of approximately $23.6 million remaining for the construction of new facilities. Through June 30, 2011, the College has incurred costs of approximately $29,568,655 under these commitments which are included in construction work-in-progress on the statement of financial position.