TRUSTEES OF DARTMOUTH COLLEGE

Financial Statements

2025 – 2026

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Report of Independent Auditors

To the Board of Trustees of Dartmouth College

Opinion

We have audited the accompanying consolidated financial statements of Trustees of Dartmouth College and its subsidiaries ("Dartmouth"), which comprise the consolidated statements of financial position as of June 30, 2026 and 2025, and the related consolidated statements of activities for the year ended June 30, 2026, of expenses and of cash flows for the years then ended June 30, 2026 and 2025, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Dartmouth as of June 30, 2026 and 2025, the changes in its net assets for the year ended June 30, 2026 and its cash flows for the years ended June 30, 2026 and 2025 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Dartmouth and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

We previously audited the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, of expenses and of cash flows for the year then ended (the statement of activities is not presented herein), and in our report dated October 30, 2025, we expressed an unmodified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying summarized financial information for the year ended June 30, 2025 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Dartmouth's ability to continue as a going concern for one year after the date the consolidated financial statements are issued.

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Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dartmouth's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dartmouth's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Boston, Massachusetts
November 2, 2026

Trustees of Dartmouth College

Consolidated Statements of Financial Position

As of June 30, 2026 and June 30, 2025

(in thousands)

	2026	2025
Assets		
Cash and cash equivalents	$ 382,604	$ 228,194
Receivables and other assets, net	182,701	372,140
Pledges receivable, net	395,009	394,487
Investments held by bond trustee	30,542	-
Investments	12,113,979	10,589,534
Land, buildings, equipment, and construction in progress, net	1,755,294	1,525,428
Total assets	$ 14,860,129	$ 13,109,783
Liabilities		
Accounts payable and other liabilities	$ 304,797	$ 245,064
Deferred revenues and deposits	53,360	50,934
Liability for split-interest agreements	43,911	43,329
Employment and retirement benefits	356,181	351,004
Bonds, mortgages, and notes payable, net	1,435,590	982,179
Interest rate swap liabilities	36,203	49,390
Conditional asset retirement obligations	26,900	26,172
Government advances for student loans	2,560	3,408
Total liabilities	2,259,502	1,751,480
Net Assets		
Without donor restrictions	3,869,232	3,475,903
With donor restrictions	8,731,395	7,882,400
Total net assets	12,600,627	11,358,303
Total liabilities and net assets	$ 14,860,129	$ 13,109,783

See accompanying notes to the consolidated financial statements.

Trustees of Dartmouth College

Consolidated Statement of Activities

For the year ended June 30, 2026, with summarized financial information for the year ended June 30, 2025
(in thousands)

	Without donor restrictions	With donor restrictions	Total 2026	Total 2025
Endowment Activities				
Gifts	$ 82	$ 145,205	$ 145,287	$ 317,152
Net investment return	294,278	1,078,593	1,372,871	849,974
Distributed for spending	(102,120)	(374,081)	(476,201)	(453,333)
Other changes	(7,892)	(8,008)	(15,900)	(25,818)
Amounts transferred from other funds, net	43,703	13,885	57,588	(1,589)
Change in net assets from endowment activities	228,051	855,594	1,083,645	686,386
Operating Activities				
Revenues and other support				
Tuition and fees, net of scholarships of $271,399 in 2026 and $258,515 in 2025	267,072	-	267,072	249,518
Sponsored research grants and contracts	194,536	-	194,536	188,831
Dartmouth College Fund and other gifts	96,217	19,219	115,436	104,056
Distributed endowment investment return	461,414	12,057	473,471	450,667
Other operating income	242,101	349	242,450	411,507
Auxiliaries	109,298	-	109,298	103,396
Net assets released from restrictions	25,075	(25,075)	-	-
Total revenues and other support	1,395,713	6,550	1,402,263	1,507,975
Expenses				
Academic and student programs	858,143	-	858,143	868,169
Sponsored programs	129,006	-	129,006	128,269
General institutional services	154,017	-	154,017	137,194
Auxiliaries	127,504	-	127,504	122,579
Total expenses	1,268,670	-	1,268,670	1,256,211
Change in net assets from operating activities	127,043	6,550	133,593	251,764
Non-operating Activities				
Gifts	-	83,608	83,608	69,358
Distributed endowment investment return	724	2,006	2,730	2,666
Revenue and other non-operating changes, net	22,123	4,414	26,537	36,119
Non-operating expenses	(37,812)	(1,871)	(39,683)	(15,273)
Other components of net periodic benefit cost	(5,827)		(5,827)	(1,604)
Increase in outstanding pledges, net	-	522	522	16,027
Pension and postretirement benefit related changes other than net periodic benefit cost	4,489	-	4,489	(29,849)
Change in unrealized gain (loss) related to interest rate swap agreements	13,187	-	13,187	(1,819)
Net assets released from restrictions	83,113	(83,113)	-	-
Amounts transferred to endowment, net	(41,632)	(15,956)	(57,588)	1,589
Net change in split-interest agreements	(130)	(2,759)	(2,889)	(28,880)
Change in net assets from non-operating activities	38,235	(13,149)	25,086	48,334
Change in net assets	393,329	848,995	1,242,324	986,484
Net Assets, beginning of year	3,475,903	7,882,400	11,358,303	10,371,819
Net Assets, end of year	$ 3,869,232	$ 8,731,395	$ 12,600,627	$ 11,358,303

See accompanying notes to the consolidated financial statements.

Consolidated Statement of Expenses

For the year ended June 30, 2026
(in thousands)

	Academic & Student Programs	Sponsored Programs	General Institutional Services				Auxiliaries	Total Operating Expenses	Non-Operating Expenses	Total Expenses
			Administrative Support	Facilities Operation & Maintenance	Development	Total				
Salaries and wages	$ 372,993	$ 62,993	$ 47,807	$ 39,301	$ 25,740	$ 112,848	$ 17,741	$ 566,575	$ -	$ 566,575
Employee benefits	108,414	18,310	13,895	11,423	7,011	32,329	5,157	164,210	5,827	170,037
Fellowships and student support	22,023	3,769	-	-	-	-	-	25,792	-	25,792
Materials, equipment, and supplies	46,790	8,311	14,668	7,578	1,870	24,116	23,024	102,241	2,818	105,059
Purchased services	91,818	32,372	21,432	12,589	7,719	41,740	13,908	179,838	1,147	180,985
Utilities, taxes, and occupancy	1,723	66	-	33,569	139	33,708	17,137	52,634	28	52,662
Depreciation and amortization	66,814	-	1,614	4,094	663	6,371	17,341	90,526	-	90,526
Lodging, travel, and similar costs	31,003	2,724	1,948	136	1,953	4,037	129	37,893	-	37,893
Interest	-	-	-	33,523	-	33,523	2,824	36,347	14,879	51,226
Other expenses	5,894	461	2,862	1,249	1,098	5,209	1,050	12,614	20,811	33,425
	747,472	129,006	104,226	143,462	46,193	293,881	98,311	1,268,670	45,510	1,314,180
Facilities operation & maintenance	110,671	-	2,504	(143,462)	1,094	(139,864)	29,193	-	-	-
Total expenses	$ 858,143	$ 129,006	$ 106,730	$ -	$ 47,287	$ 154,017	$ 127,504	$ 1,268,670	$ 45,510	$ 1,314,180

See accompanying notes to the consolidated financial statements.

Trustees of Dartmouth College

Consolidated Statement of Expenses

For the year ended June 30, 2025

(in thousands)

			General Institutional Services							
	Academic & Student Programs	Sponsored Programs	Administrative Support	Facilities Operation & Maintenance	Development	Total	Auxiliaries	Total Operating Expenses	Non-Operating Expenses	Total Expenses
Salaries and wages	$ 343,844	$ 61,890	$ 43,295	$ 31,899	$ 21,930	$ 97,124	$ 20,176	$ 523,034	$ -	$ 523,034
Employee benefits	104,964	18,893	13,216	9,738	6,242	29,196	6,159	159,212	1,604	160,816
Fellowships and student support	26,962	5,702	-	-	-	-	-	32,664	-	32,664
Materials, equipment, and supplies	45,326	8,258	12,612	7,935	1,445	21,992	23,501	99,077	2,163	101,240
Purchased services	154,505	30,428	17,580	11,534	6,776	35,890	13,658	234,481	354	234,835
Utilities, taxes, and occupancy	1,776	67	0	31,181	84	31,265	14,930	48,038	104	48,142
Depreciation and amortization	57,436	-	1,403	3,472	567	5,442	14,911	77,789	-	77,789
Lodging, travel, and similar costs	29,738	2,640	1,691	111	1,769	3,571	93	36,042	-	36,042
Interest	-	-	-	27,724	-	27,724	2,827	30,551	5,075	35,626
Other expenses	7,438	391	4,480	1,083	977	6,540	954	15,323	7,577	22,900
	771,989	128,269	94,277	124,677	39,790	258,744	97,209	1,256,211	16,877	1,273,088
Facilities operation & maintenance	96,180	-	2,176	(124,677)	951	(121,550)	25,370	-	-	-
Total expenses	$ 868,169	$ 128,269	$ 96,453	$ -	$ 40,741	$ 137,194	$ 122,579	$ 1,256,211	$ 16,877	$ 1,273,088

See accompanying notes to the consolidated financial statements.

Trustees of Dartmouth College

Consolidated Statements of Cash Flows

For the years ended June 30, 2026 and June 30, 2025

(in thousands)

	2026	2025
Cash flows from operating activities		
Total change in net assets	$ 1,242,324	$ 986,484
Adjustments to reconcile total change in net assets to net cash used in operating activities:		
Depreciation and amortization, net	86,662	75,802
Change in estimated value of interest rate swap agreements	(13,187)	1,819
Change in estimated pension and post-retirement benefit obligation	(8,633)	22,882
Net change in split-interest liability	582	120
Change in pledges receivable, net	(522)	(16,027)
Other non-cash transactions	1,862	1,061
Contributed securities	(54,410)	(52,091)
Contributions, investment income, and other changes restricted for long-term investment	(241,950)	(367,388)
Net realized (gains) losses and changes in net unrealized (gains) losses	(1,571,743)	(933,992)
Changes in operating assets and liabilities:		
Receivables and other assets, net	186,237	(218,312)
Accounts payable and other liabilities	52,799	30,938
Deferred revenues and deposits	2,426	2,771
Employment related obligations	13,810	15,570
Net cash used in operating activities	(303,743)	(450,363)
Cash flows from investing activities		
Student loans and notes receivable granted	(5,633)	(5,269)
Student loans and notes receivable repaid	6,483	5,319
Purchases of land, buildings, and equipment	(310,931)	(235,415)
Purchases of investments	(3,929,270)	(2,473,231)
Sales and maturities of investments	4,016,307	2,726,066
Net cash provided by/(used in) investing activities	(223,044)	17,470
Cash flows from financing activities		
Proceeds from issuance of debt, including premium	473,832	-
Cost of issuance of bonds	(1,432)	-
Repayment of debt	(16,287)	(974)
Contributions, investment income, and other changes restricted for long-term investment in:		
Facilities	47,194	36,865
Endowment, life income, and similar funds	194,756	330,523
Finance lease principal payments	(146)	(155)
Changes in government advances for student loans	(848)	(1,930)
Net cash provided by financing activities	697,069	364,329
Net change in cash and cash equivalents	170,282	(68,564)
Cash and cash equivalents, beginning of year	402,172	470,736
Cash and cash equivalents, and restricted cash end of year	$ 572,454	$ 402,172
Supplemental information on cash and cash equivalents:		
Cash and cash equivalents as shown in the Statement of Financial Position	$ 382,604	$ 228,194
Cash restricted, held by Bond Trustee	30,542	-
Cash and cash equivalents included in Investments	159,308	173,978
Cash and cash equivalents as shown on the Statement of Cash Flows	$ 572,454	$ 402,172
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 57,620	$ 38,737
Accounts payable related building and equipment additions	$ 8,415	$ 6,931
Fair value of securities received	$ 90,378	$ 131,353

See accompanying notes to the consolidated financial statements.

A. Summary of Significant Accounting Policies

Description of Organization

Trustees of Dartmouth College (Dartmouth or the Institution) is a private, nonprofit, co-educational, nonsectarian institution of higher education with approximately 4,600 undergraduate and 2,600 graduate students. Established in 1769, Dartmouth includes the four-year undergraduate college, with graduate schools of business, engineering, medicine, and arts and sciences.

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and include the accounts of the Institution and affiliated organizations controlled by the Institution.

For purposes of financial reporting, Dartmouth classifies its net assets into two categories according to donor restrictions and applicable law as follows:

Net assets without donor restrictions - includes net assets that are not subject to donor restrictions and therefore may be used for any purpose in furtherance of Dartmouth's mission. Under the authority of Dartmouth's management and Board of Trustees, in order to support Dartmouth's strategic initiatives, all or a portion of net assets without donor restrictions may be set aside in segregated Dartmouth-designated reserve accounts and earmarked for use in future years by specific departments, divisions or schools to cover program costs or contingencies. These Dartmouth-designated net assets include funds designated for operating initiatives, facilities, and long-term quasi-endowment. Dartmouth's management and Board of Trustees may designate or re-designate net assets without donor restrictions for specific purposes, including quasi-endowment, operating initiatives, and facilities, as needed to support the institution's mission. All operating expenses are recorded as a reduction of net assets without donor restrictions.

Net assets with donor restrictions – includes net assets that carry donor restrictions that may expire either because of the passage of time or because actions are taken to fulfill the restrictions, or they may never lapse, thus requiring that the net assets be retained permanently. Net assets with donor restrictions include unexpended endowment return, unexpended restricted use gifts, term endowment funds, loan funds, certain uncollected pledges, life income and similar funds, and the original principal of endowment gifts. Donor-restricted resources intended for capital projects are released from their restrictions and presented as net assets without donor restrictions when the related asset is placed in service. Donor restricted endowment distribution and donor-restricted gifts which are received, and either spent or deemed spent within the same fiscal year, are reported as net assets without donor restrictions. Investment return from endowment activities that have been appropriated by Dartmouth's Board of Trustees is presented as an increase in operating or non-operating activities according to the restricted nature of the donor's intended use of the funds.

The consolidated financial statements are presented with certain prior-year comparative information summarized in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with Generally Accepted Accounting Principles (GAAP). Accordingly, such information should be read in conjunction with Dartmouth's consolidated financial statements for the year ended June 30, 2025, from which the summarized information was derived. Certain prior year amounts have been reclassified to conform to current year presentation.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant estimates in these consolidated financial statements are the fair value of investments, interest rate swap agreements, and pension and retirement medical benefit obligations. Actual results could differ materially from these estimates, particularly during periods of investment and/or interest rate volatility.

Measure of Operations

Operating activities consist of revenues earned, investment income, endowment net investment return appropriated by Dartmouth's Board of Trustees, and expenses incurred in conducting Dartmouth's programs and services, including auxiliary enterprises. Expenses such as development, public affairs, and central services and administration are reported as general

institutional services, and expenses are allocated to functional classifications on a reasonable basis, consistent with the nature of the expense.

Non-operating activities consist of gifts for facilities and for purposes not yet finalized, grants, investment income, other earnings, endowment return appropriated by Dartmouth's Board of Trustees for loan programs and capital assets, net changes in pledges receivable, split-interest agreements and the estimated value of interest rate swap agreements, and retirement medical benefit changes other than service cost.

Cash and Cash Equivalents

Cash and cash equivalents are recorded at cost which approximates fair value and may include U.S. treasury funds, money market accounts, certificates of deposit, commercial paper, foreign currency, and liquid short-term investments with maturities of 90 days or less at the date of acquisition. Cash and cash equivalents held for investment purposes in the Endowment are reported as Investments on the Consolidated Statements of Financial Position.

Tuition and Fees and Student Scholarships

Tuition and fees revenue is recognized in the fiscal year in which substantially all of the academic program services are provided. Student scholarships provided by Dartmouth reduce the published price of tuition for students receiving these scholarships. In addition, Dartmouth acts as an agent for recipients of scholarships from other sponsors in the amounts of $3,824,000 and $3,989,000 for the years ended June 30, 2026 and 2025, respectively, which are not presented in the Consolidated Statement of Activities.

Sponsored Research Grants and Contracts

Sponsored research includes revenue from exchange and conditional non-exchange agreements with governments, foundations and private sources for research activities. Revenue from exchange agreements is recognized when performance obligations are met, and revenue from conditional non-exchange agreements is recognized as the related costs are incurred. Non-exchange agreements are considered conditional if the terms of the agreement include both a right of return/release and a barrier. These agreements become unconditional as barriers are met. As of June 30, 2026 and 2025, Dartmouth had unrecorded conditional sponsored research agreements of $112,757,000 and $122,304,000, respectively. Revenue from the reimbursement of facilities and administrative costs incurred by Dartmouth on U.S. government grants and contracts is based upon negotiated rates predetermined through June 30, 2029. Dartmouth recovered facilities and administrative costs of approximately $54,201,000 and $53,502,000 during the years ended June 30, 2026 and 2025, respectively.

Revenue from Auxiliaries

Auxiliary revenues, which include revenue from student housing, dining, recreation and hospitality operations, are recognized as the goods are provided or services are rendered.

Taxes

Dartmouth is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (the Code), except with regard to unrelated business income, which is taxed at corporate income tax rates. Dartmouth is also subject to state and local property tax on the value of dormitories and dining facilities in excess of $150,000, as well as on the value of certain other real estate holdings to the extent they are not used or occupied for Dartmouth's tax-exempt purposes. Certain Dartmouth real estate entities are exempt from federal income tax under Sections 501(c)(2) and 501(c)(25) of the Code. As of June 30, 2026, tax years ended June 30, 2023 through June 30, 2025 remain open and are subject to federal and state taxing authority examination. Dartmouth believes it has taken no significant uncertain tax positions.

Dartmouth is subject to the unrelated business income tax (UBIT) on certain investments and operations, an excise tax on net investment income that is not subject to UBIT, and an excise tax on certain compensation. Dartmouth's deferred tax liability represents estimated future excise tax on unrealized investment gains that are recognized for financial reporting but are not subject to excise tax until realized upon sale; the current excise tax liability represents tax on gains already realized.

The One Big Beautiful Bill Act (the "Act"), enacted on July 4, 2025, replaced the single 1.4% excise tax on net investment income with a tiered rate structure. Effective in fiscal year 2027, Dartmouth expects to be subject to a 4% tax rate. Because the Act was enacted during fiscal year 2026, Dartmouth remeasured its deferred tax liability at the 4% rate in the period of enactment.

Unrelated business income tax. As of June 30, 2026 and 2025, Dartmouth accrued an estimated liability for unrelated business income taxes payable of $8,191,000 and $9,261,000, respectively.

Excess tax on investment income. As of June 30, 2026 and 2025, Dartmouth accrued excise taxes payable of $10,185,000 and $5,417,000, respectively.

Deferred taxes. As of June 30, 2026 and 2025, Dartmouth recorded a deferred tax liability of $154,115,000 and $34,240,000, respectively, which is included in Accounts payable and other liabilities in the Consolidated Statements of Financial Position. Deferred tax expense of $119,875,000 and $2,920,000 for the years ended June 30, 2026 and 2025, respectively, is recorded as a reduction to net investment return in the Consolidated Statements of Activities.

Effective July 1, 2025, Dartmouth adopted Accounting Standards Update 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The Update was adopted prospectively and affected disclosures only; there was no effect on Dartmouth's financial position or changes in net assets.

Affiliation with Dartmouth-Hitchcock Medical Center

Dartmouth, through the Geisel School of Medicine (Geisel), is a member of the Dartmouth-Hitchcock Medical Center (DHMC), a confederation of health care organizations intended to coordinate medical education and health care delivery. DHMC is a nonprofit, tax-exempt corporation organized under New Hampshire State Law. The other members of DHMC are: (i) Mary Hitchcock Memorial Hospital (MHMH), (ii) Dartmouth-Hitchcock Clinic (Clinic), and (iii) Veterans Administration Medical Center of White River Junction, Vermont (VAMC). The staff of the Clinic serves as the primary resource for Geisel clinical faculty, with the MHMH and the VAMC acting as principal sites of clinical instruction for Geisel students. Each member of DHMC is a separately organized, governed, and operated institution, with Dartmouth having no ownership interest in any other member.

Certain costs, including salaries, facilities use (including construction planning and management, and facilities operation and maintenance), and direct and indirect research, incurred by Geisel and the other members of DHMC are shared among the members based on negotiated allocations of the costs on an annual or project specific basis. The members of DHMC, excluding the VAMC, are also parties to a Condominium Ownership Agreement that governs the ownership and operation of the DHMC facilities. During the years ended June 30, 2026 and 2025, Dartmouth paid approximately $14,200,000 and $12,100,000, respectively, and received approximately $16,700,000 and $17,400,000, respectively, in connection with these arrangements.

Insurance

Dartmouth maintains a combination of conventional and alternative insurance arrangements to cover insurable risks, including general liability, property, and workers' compensation.

Dartmouth's annual premium payments for conventional insurance coverage are included in operating expenses. Estimated liabilities for losses under Dartmouth's deductible and/or self-insurance retention limits are reflected in the Consolidated Statements of Financial Position, which includes estimates for known losses and for losses incurred but not yet reported. Insurance reserves are based on actuarial analysis and/or estimates of historical loss experience, and while management believes that the reserves are adequate, the ultimate liabilities may be different than the amounts provided.

Gifts and Pledges Receivable

Total contributions to Dartmouth include gifts that are received and the net change in pledges receivable during a period. Gifts are recognized as increases in the appropriate category of net assets in the period the gift is received. The net change in total pledges is recorded as a net increase (decrease) in non-operating activities in the Consolidated Statement of Activities. Pledges are stated at the estimated present value of future cash flows, net of an allowance for uncollectible amounts. Contributions of securities are recorded at their estimated fair value at the date of gift when the fair value is readily determinable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

Investments

Investments are reported at fair value. For investments held directly by Dartmouth, fair value is based on quoted market prices where available. Dartmouth's interest in certain private commingled funds and private partnership interests are reported at the net asset value (NAV) as determined by the external fund manager. As permitted by GAAP, Dartmouth uses NAV as a practical expedient to estimate the fair value of Dartmouth's ownership interest, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. Because many of these investments are not readily marketable, the estimates of fair value involve assumptions and estimation methods which are uncertain, and therefore the estimates could differ from actual results. The fair value hierarchy and the valuation techniques and inputs used to measure fair value are described in Note D, Investments.

Dartmouth has elected to measure certain equity securities without a readily determinable fair value that do not qualify to use NAV as a practical expedient at cost or donated value less impairment, adjusted for changes in observable prices. Dartmouth assesses these investments for impairment on an annual basis and considers both qualitative and quantitative factors that may have a significant impact on the investee's fair value, including the financial condition, expected future cash flows and business outlook of the investee.

Directly held real estate is reflected at fair value in accordance with Dartmouth's valuation policy. Management estimates fair value for these properties using primarily inputs from independent third-party appraisals, which are updated annually.

Purchases and sales of securities are recorded on the trade date, and realized gains and losses are determined on the basis of the average cost of securities sold. Advance contributions to commingled fund investments and redemptions receivable from commingled funds are included within Investments as presented on the Consolidated Statements of Financial Position.

Total net investment return (interest, dividends, rents, royalties, and net realized and changes in unrealized gains and losses) earned by Dartmouth's endowment investments is included in endowment activities on the Consolidated Statement of Activities, while the net investment return earned by the non-endowment investments is included in operating or non-operating activities, as appropriate, on the Consolidated Statement of Activities. Dividend income is recognized, net of applicable withholding taxes, on the ex-dividend date. Non-cash dividends are recorded at the fair value of the securities received on the date of distribution. Interest income and expenses are recorded net of applicable withholding taxes on the accrual basis of accounting. Current and deferred excise taxes, along with certain direct internal charges and fees charged by external investment managers are netted against investment return.

The asset allocation of Dartmouth's investment portfolio involves exposure to a diverse set of markets. The investments within these markets involve various risks such as price, interest rate, sovereign, currency, liquidity, and credit risks. Additionally, investments in real assets through commingled funds and direct real estate expose Dartmouth to a unique set of risks such as operational, environmental, and political risks. Dartmouth anticipates that the value and composition of its investments may, from time to time, fluctuate substantially in response to any or all of these risks.

Endowment

Dartmouth's endowment consists of gifts with donor restrictions and net assets without donor restrictions designated by management and the Board of Trustees for long-term support of Dartmouth's activities, and the accumulated investment return on these gifts and designated net assets. Accumulated investment return consists of endowment net investment return that has not been appropriated by the Board of Trustees for expenditure to support Dartmouth's operating and non-operating activities. Generally, only a portion of accumulated net investment return is made available for spending each year in accordance with the Board of Trustees-approved endowment utilization policy and New Hampshire state law. However, certain endowment funds with donor restrictions do allow for the expenditure of principal, and Dartmouth-designated endowment funds are net assets without donor restrictions that may be re-designated for authorized expenditures.

Giving consideration to the New Hampshire Uniform Prudent Management of Institutional Funds Act (UPMIFA), Dartmouth classifies as net assets with donor restrictions the historical value of donor-restricted endowment funds, which includes (a) the original value of contributions donated to the endowment, (b) the original value of subsequent contributions, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Also included in net assets with donor restrictions is accumulated appreciation on donor-

restricted endowment funds which are available for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. Investment return on net assets with donor restrictions and the annual distribution of a portion of accumulated investment return to operating and non-operating activities are presented as a change in net assets with donor restrictions in the Consolidated Statement of Activities. Deficiencies associated with funds where the value of the fund has fallen below the original value of the gift are also included in net assets with donor restrictions.

Endowment net assets without donor restrictions include Dartmouth funds and certain gifts from donors, and any accumulated investment return thereon, which may be expended; however, by trustee or management designation, these net assets may remain invested in the endowment for the long-term support of Dartmouth activities. Investment return on endowment net assets without donor restrictions and the annual distribution of a portion of accumulated investment return to operating and non-operating activities are presented as changes in net assets without donor restrictions in the Consolidated Statement of Activities.

Split-Interest Agreements

Certain donors have established irrevocable split-interest agreements with Dartmouth, primarily charitable gift annuities, pooled life income funds, and irrevocable charitable remainder trusts, whereby the donated assets are invested and distributions are made to the donor and/or other beneficiaries in accordance with the agreement for a specified period of time, after which time the remaining assets and future investment returns are retained by Dartmouth. At the discretion of the donor, Dartmouth may or may not serve as trustee for the split-interest agreement.

Dartmouth has recorded the estimated fair value of the investments associated with irrevocable split-interest agreements and an estimated liability, using a discount rate of 5.0% and 5.0% for June 30, 2026 and 2025, respectively, for the net present value of the future cash outflows to beneficiaries of the agreements for which Dartmouth serves as trustee. Dartmouth reports the net change in split-interest agreements as a non-operating change in net assets in the Consolidated Statement of Activities.

Land, Buildings, Equipment, and Construction in Progress

Land, buildings, equipment, and construction in progress are recorded at cost at the date of acquisition or, if acquired by gift, at the estimated fair value as of the date of the gift. Purchases, construction, and renovations of assets which exceed Dartmouth's specified dollar threshold and have a useful life greater than one year are capitalized, while scheduled maintenance and minor renovations of less than that amount are charged to operations.

Land improvements, buildings, and equipment are reflected net of accumulated depreciation calculated on a straight-line basis over the following estimated economic lives.

Buildings and building components	13 – 50 years
Depreciable land improvements	15 – 20 years
Equipment	5 – 20 years

Depreciation expense for facilities that are primarily used for sponsored research is based on the estimated economic lives of each component.

Collections

Dartmouth's collections include works of art, literary works, historical treasures, and artifacts that are maintained in its museum and libraries. These collections are protected and preserved for public exhibitions, education, research, and the furtherance of public service. Each of the items is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously. The collections are subject to a policy that requires proceeds from their sale to be used to acquire other items for collections.

The collections, which were acquired through purchases and contributions since Dartmouth's inception, are not recognized as assets in the Consolidated Statements of Financial Position. Purchases of collection items are recorded in the Consolidated Statement of Activities as non-operating decreases in net assets without donor restrictions in the year in which the items are acquired or in net assets with donor restrictions if the assets used to purchase the items are restricted by donors. Contributed collection items are not recorded in the consolidated financial statements.

B. Receivables and Other Assets

Receivables and other assets consisted of the following at June 30 (in thousands):

	2026	2025
Student accounts	$ 7,507	$ 7,644
Sponsored research grants and contracts	19,671	22,341
Other accounts	79,395	264,783
Notes and student loans	40,680	41,530
Less: allowance for uncollectible accounts	(2,739)	(1,822)
Receivables, net	$ 144,514	$ 334,476
Prepaid costs, inventories, and other assets	38,187	37,664
Total receivables and other assets, net	$ 182,701	$ 372,140

C. Gifts and Pledges Receivable

Gifts received during the years ended June 30 were as follows (in thousands):

	2026	2025
Gifts to support operations	$ 115,436	$ 104,056
Gifts for:		
Facilities	47,194	36,865
Endowment	145,287	317,152
Other non-operating uses	36,414	32,493
Total gifts	$ 344,331	$ 490,566

Unconditional pledges as of June 30 are expected to be realized in the following periods (in thousands):

	2026	2025
In one year or less	$ 211,272	$ 190,222
Between one year and five years	197,018	201,852
More than five years	43,888	54,430
Gross pledges receivable	452,178	446,504
Less: present value discount	(25,494)	(24,476)
Less: allowance for uncollectible pledges	(31,675)	(27,541)
Pledges receivable, net	$ 395,009	$ 394,487

Pledges have been discounted at rates ranging from 0.3% to 6.2%. When conditional promises to give become unconditional or cash payments on non-legally binding bequests are received, they are recorded and may be restricted by the donor for operations, endowment or capital projects.

D. Investments

Dartmouth's endowment and other investment portfolios include investments in various asset classes, each with different return expectations, risk characteristics, and liquidity provisions including global public equity, fixed income, hedge funds, venture capital and private equity, real asset investments and cash.

Cash and cash equivalents designated for investment purposes in the Endowment are included in Investments on the Consolidated Statements of Financial Position and are valued based on market price or cost, which approximates fair value. Fixed income investments include strategies based on capital preservation and yield as well as more opportunistic strategies focused on generating return through price appreciation. Exposures to these investments may include directly held securities as well as investments through commingled funds. Global equity investments include directly held public equity securities, exchange traded funds, and long-only commingled funds directionally exposed to the market. Hedge funds include investments in commingled funds with discrete and blended strategies, including long/short equity, absolute return, market neutral, distressed and credit strategies. Dartmouth also invests in venture capital, private equity, real estate, real assets, and other debt-related strategies primarily through funds managed by external investment managers.

Investments consisted of the following at June 30 (in thousands):

	2026	2025
Endowment investments	$ 10,218,202	$ 9,021,722
Split-interest agreement investments	144,565	129,016
Operating and other investments	1,751,212	1,438,796
Total investments	$ 12,113,979	$ 10,589,534

Fair Value Hierarchy

The framework for measuring fair value utilizes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are as follows:

Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities.

Level 2 – Valuations based on observable inputs that reflect quoted prices in active markets for similar assets or liabilities or quoted prices for similar or identical assets and liabilities in markets that are not active.

Level 3 – Valuations based on unobservable inputs requiring significant management judgment or estimation.

The inputs used to measure fair value may fall into different levels of the hierarchy. In such cases, the measurement is categorized in its entirety based on the lowest level input that is significant to the measurement in its entirety. The degree of judgment exercised in determining fair value is greatest for investments categorized in Level 3. Investments measured at NAV as a practical expedient are not categorized within the fair value hierarchy.

The following Fair Value Leveling table summarizes Dartmouth's investments that are reported at fair value by their fair value hierarchy classification as of June 30, 2026 (in thousands):

	Level 1	Level 2	Level 3	Total
Investments:				
Cash and cash equivalents	$ 159,308	$ -	$ -	$ 159,308
Fixed income	915,585	329,772	46	1,245,403
Global equity:				
US equity	511,598	-	253	511,851
International	161,678	-	-	161,678
Emerging markets	48,892	-	-	48,892
Private equity/Venture capital	-	-	43,550	43,550
Real assets:				
Real estate	10,719	-	227,614	238,333
Other real assets	12,474	-	-	12,474
Other investments	-	-	161	161
Derivative assets (liabilities)	(1,970)	99	-	(1,871)
Subtotal	$ 1,818,284	$ 329,871	$ 271,624	$ 2,419,779
Contributions in advance				60,000
Investment receivables				120,994
Investment payables				(113,787)
Investments at NAV				9,455,482
Investments at cost less impairment				171,511
Total Investments	$ 1,818,284	$ 329,871	$ 271,624	$ 12,113,979

The following Fair Value Leveling table summarizes Dartmouth's investments that are reported at fair value by their fair value hierarchy classification as of June 30, 2025 (in thousands):

	Level 1	Level 2	Level 3	Total
Investments:				
Cash and cash equivalents	$ 173,978	$ -	$ -	$ 173,978
Fixed income	913,903	179,672	47	1,093,622
Global equity:				
US equity	619,817	-	168	619,985
International	122,666	-	-	122,666
Emerging markets	35,920	-	-	35,920
Private equity/Venture capital	-	-	64,014	64,014
Real assets:				
Real estate	10,967	-	214,918	225,885
Other real assets	29	-	-	29
Other investments	-	-	184	184
Derivative assets (liabilities)	221	135	-	356
Subtotal	$ 1,877,501	$ 179,807	$ 279,331	$ 2,336,639
Contributions in advance				-
Investment receivables				34,778
Investment payables				(76,365)
Investments at NAV				8,122,971
Investments at cost less impairment				171,511
Total Investments	$ 1,877,501	$ 179,807	$ 279,331	$ 10,589,534

Investments Measured at Net Asset Value (NAV)

The following Fair Value NAV table lists specified investment terms by asset category for Dartmouth's interest in certain commingled funds and private partnership interests, including certain illiquid investments where the timing of liquidity is unknown. The investments are reported using NAV as the practical expedient to estimate fair value as of June 30, 2026 (in thousands):

	Fair Value	Redemption Terms	Days Notice	Remaining Unfunded Commitment
Fixed income	$ 69,215	Monthly	30	$ -
Global equity:				
US equity[1]	1,829,823	Ranges from semi-monthly to semi-annually; Illiquid	6 – 105	-
International[2]	158,580	Ranges from monthly to quarterly; Illiquid	30 – 90	-
Emerging markets[3]	176,580	Ranges from monthly to annually; Illiquid	12 – 45	-
Hedge funds[4]	2,129,210	Ranges from monthly to annually; Illiquid	30 – 90	5,754
Private equity / Venture capital	4,236,569	Illiquid	Not applicable	885,742
Real assets:				
Real estate	660,314	Illiquid	Not applicable	343,856
Other real assets	195,191	Illiquid	Not applicable	93,564
Total	$ 9,455,482			$ 1,328,916

[1] US equity includes funds that have restrictions on the ability to fully redeem up to three and a half years, excluding illiquid securities and special investments.

[2] International includes funds that have illiquid securities and special investments.

[3] Emerging markets include funds that have restrictions on the ability to fully redeem up to three years, excluding illiquid securities and special investments.

[4] Hedge funds include funds that have restrictions on the ability to fully redeem up to three years, excluding illiquid securities and special investments.

The following Fair Value NAV table lists specified investment terms by asset category for Dartmouth's interest in certain commingled funds and private partnership interests, including certain illiquid investments where the timing of liquidity is unknown. The investments are reported using NAV as the practical expedient to estimate fair value as of June 30, 2025 (in thousands):

	Fair Value	Redemption Terms	Days Notice	Remaining Unfunded Commitment
Fixed income	$ 37,594	Monthly	30 – 40	$ -
Global equity:				
US equity[1]	1,340,819	Ranges from semi-monthly to annually	6 – 105	23,780
International[2]	214,090	Ranges from semi-monthly to annually	3 – 180	-
Emerging markets[3]	180,942	Ranges from quarterly to annually; Illiquid	45 – 90	-
Hedge funds[4]	1,898,155	Ranges from monthly to annually; Illiquid	30 – 95	11,945
Private equity / Venture capital	3,627,851	Illiquid	Not applicable	780,508
Real assets:				
Real estate	572,363	Illiquid	Not applicable	263,565
Other real assets	251,157	Illiquid	Not applicable	74,011
Total	$ 8,122,971			$ 1,153,809

[1] US equity includes funds that have restrictions on the ability to fully redeem up to three and a half years, excluding illiquid securities and special investments.

[2] International includes funds that have restrictions on the ability to fully redeem up to two years, excluding illiquid securities and special investments.

[3] Emerging markets include funds that have restrictions on the ability to fully redeem up to three years, excluding illiquid securities and special investments.

[4] Hedge funds include funds that have restrictions on the ability to fully redeem up to four years, excluding illiquid securities and special investments.

At June 30, 2026 and June 30, 2025, the aggregate carrying amount of Dartmouth's investments measured at cost less impairment is $171,511,000. There have been no impairment adjustments or changes in observable prices recognized.

Level 3 Activity

The following tables present Dartmouth's activity for the fiscal years ended June 30, 2026 and 2025 for investments measured at fair value in Level 3 (in thousands):

	Fixed Income	US Equity	Real Assets	Private Equity/ Venture Capital	Other Investments	Total
Balance as of June 30, 2025	$ 47	$ 168	$ 214,918	$ 64,014	$ 184	$ 279,331
Acquisitions / purchases	-	85	2,258	-	2	2,345
Distributions / sales	-	-	(1,005)	(24,714)	(25)	(25,744)
Realized gain/(loss)	-	-	-	8,405	-	8,405
Change in unrealized gain/(loss)	(1)	-	11,443	(4,155)	-	7,287
Balance as of June 30, 2026	$ 46	$ 253	$ 227,614	$ 43,550	$ 161	$ 271,624

	Fixed Income	US Equity	Real Assets	Private Equity/ Venture Capital	Other Investments	Total
Balance as of June 30, 2024	$ 43	$ 155	$ 209,008	$ 87,687	$ 409	$ 297,302
Acquisitions / purchases	-	60	3,307	-	-	3,367
Distributions / sales	-	-	(1,506)	(36,791)	(225)	(38,522)
Change in unrealized gain/(loss)	4	(47)	4,109	13,118	-	17,184
Balance as of June 30, 2025	$ 47	$ 168	$ 214,918	$ 64,014	$ 184	$ 279,331

Cumulative unrealized gains related to Level 3 investments totaled $84,504,000 and $91,847,000 as of June 30, 2026 and 2025, respectively.

Level 3 Unobservable Inputs

The following tables summarize quantitative inputs and assumptions used for Level 3 investments at June 30, 2026 and 2025 for which fair value is based on unobservable inputs. Significant increases or decreases in these unobservable inputs may result in significant higher or lower valuation results, and actual results could differ materially from these estimates particularly during periods of investment and/or interest rate volatility.

June 30, 2026 (in thousands):

Asset Class / Valuation Technique	Fair Value[1]	Unobservable Inputs	Input Value(s)	Weighted Average
Real Estate:				
Third party appraisal-income capitalization approach	$ 202,948	Capitalization rate	5.75 – 7.00%	6.23%
Third party appraisal-comparable sales	23,179	Market value per sq. foot		
Valued at cost which approximates fair value	1,487	Discount rate	25.00%	25.00%
Private Equity:				
Market comparables	14,028	EBITDA multiple	14.2x	14.2x
Market comparables	18,854	Revenue multiple	4.1x – 4.9x	4.6x
Discounted Cash Flow	10,668	Terminal exit multiple	13.0x	13.0x
Total	$ 271,164			

[1]The fair value may be determined by using multiple valuation techniques.

June 30, 2025 (in thousands):

Asset Class / Valuation Technique	Fair Value[1]	Unobservable Inputs	Input Value(s)	Weighted Average
Real Estate:				
Third party appraisal-income capitalization approach	$ 187,236	Capitalization rate	5.75 – 7.75%	6.69%
Third party appraisal-comparable sales	26,196	Market value per sq. foot		
Valued at cost which approximates fair value	1,486	Discount rate	25.00%	25.00%
Private Equity:				
Market comparables	26,869	EBITDA multiple	16.4x – 20.1x	18.3x
Market comparables	21,112	Revenue multiple	4.5x – 5.9x	5.7x
Discounted Cash Flow	5,459	Terminal exit multiple	13.0x-17.0x	15x
Discounted Cash Flow	10,574	Weighted average cost of capital	13.5%	13.5%
Total	$ 278,932			

[1]The fair value may be determined by using multiple valuation techniques.

For June 30, 2026 and 2025, certain level 3 investments are valued at cost totaling $460,000 and $399,000 respectively and are excluded from the above tables.

Derivative Instruments

Dartmouth, directly or through external managers on Dartmouth's behalf, enters into various foreign currency contracts, equity and government bond futures, forwards, swaps, and equity options to efficiently manage portfolio exposures to global equity markets, currencies and interest rates. These instruments may be used to hedge the portfolio from unwanted equity, currency, and/or interest rate risk, as well as to efficiently manage exposures or duration. Interest rate swap contracts are used to efficiently manage portfolio exposures to interest rates. Credit default swaps are used to simulate long or short positions or to reduce credit risk where exposure exists. These instruments are valued using quoted prices in active markets or pricing inputs derived from market-based prices and therefore are included in Level 1 or 2 in the Fair Value Leveling table respectively. In certain circumstances Dartmouth is obligated to pledge to the appropriate broker cash or securities to be held as collateral, as determined by exchange margin requirements for futures contracts held. At June 30, 2026 and 2025, Dartmouth had 7,964,000 and $0, respectively pledged as collateral for investment purposes.

The following tables set forth the fair value of Dartmouth's derivative instruments for investment purposes by contract type as of June 30, 2026 and 2025 and gains/(losses) related to derivative activities for the years then ended June 30, 2026 and 2025:

June 30, 2026 (in thousands):

	Notional Exposure		Fair Value[1]		
	Long	Short	Asset	Liability	Net Gain/ (Loss)[2]
Foreign currency contracts	$ -	$ -	$ -	$ -	$ (146)
Fixed income contracts	101,602	(11,632)	195	(124)	(1,311)
Interest rate swaps[3]	2,285	-	119	-	121
Credit default swaps	4,060	-	47	(67)	(8)
Equity contracts	166,405	(83,984)	8,818	(10,859)	(2,040)
Total	$ 274,352	$ (95,616)	$ 9,179	$ (11,050)	$ (3,384)

June 30, 2025 (in thousands):

	Notional Exposure		Fair Value[1]		
	Long	Short	Asset	Liability	Net Gain/ (Loss)[2]
Foreign currency contracts	$ -	$ -	$ -	$ -	$ (102)
Fixed income futures contracts	46,848	(8,896)	363	(142)	(419)
Interest rate swaps[3]	3,575	-	192	(57)	(75)
Credit default swaps	-	-	-	-	(1)
Other	-	-	-	-	(2,579)
Total	$ 50,423	$ (8,896)	$ 555	$ (199)	$ (3,176)

[1] The net fair value of these derivative instruments is included in the Consolidated Statements of Financial Position as Investments.

[2] The net gain/(loss) from these derivative instruments is presented in the endowment, operating, and non-operating sections of the Consolidated Statement of Activities as other operating income and other non-operating changes.

[3] The notional amount of these contracts represents a structure which pays based on a fixed rate and receive based on a variable rate.

E. Endowment

The changes in fair value of net assets held in endowment and similar funds for the years ended June 30 were as follows (in thousands):

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2025	$ 1,940,557	$ 7,019,144	$ 8,959,701
Investment return, net	294,278	1,078,593	1,372,871
Gifts	82	145,205	145,287
Distribution of endowment return	(102,120)	(374,081)	(476,201)
Transfers and other changes, net	35,811	5,877	41,688
Endowment net assets, June 30, 2026	$ 2,168,608	$ 7,874,738	$ 10,043,346

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2024	$ 1,856,605	$ 6,416,710	$ 8,273,315
Investment return, net	188,276	661,698	849,974
Gifts	84	317,068	317,152
Distribution of endowment return	(99,546)	(353,787)	(453,333)
Transfers and other changes, net	(4,862)	(22,545)	(27,407)
Endowment net assets, June 30, 2025	$ 1,940,557	$ 7,019,144	$ 8,959,701

Transfers and other changes, net include additions to the endowment from matured split-interest agreements, net transfers resulting from changes in donor restrictions or Dartmouth designations, and other internal charges including certain fundraising costs.

Endowment net assets consist of the following as of June 30, 2026 (in thousands):

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated funds	$ 2,168,608	$ -	$ 2,168,608
Donor-restricted funds			
Accumulated investment gains	-	4,932,842	4,932,842
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	2,941,896	2,941,896
Total endowment net assets	$ 2,168,608	$ 7,874,738	$ 10,043,346

Endowment net assets consist of the following as of June 30, 2025 (in thousands):

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated funds	$ 1,940,557	$ -	$ 1,940,557
Donor-restricted funds			
Accumulated investment gains	-	4,247,057	4,247,057
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	2,772,087	2,772,087
Total endowment net assets	$ 1,940,557	$ 7,019,144	$ 8,959,701

The classification of endowment net assets by purpose as of June 30, 2026 is as follows (in thousands):

	Without Donor Restrictions	With Donor Restrictions	Total
Teaching and Research	$ 712,578	$ 3,158,910	$ 3,871,488
Financial Aid	101,155	2,623,655	2,724,810
Academic and Student Support	167,337	805,186	972,523
Operations and Facilities	1,187,538	1,286,987	2,474,525
Endowment net assets, June 30, 2026	$ 2,168,608	$ 7,874,738	$ 10,043,346

The classification of endowment net assets by purpose as of June 30, 2025 is as follows (in thousands):

	Without Donor Restrictions	With Donor Restrictions	Total
Teaching and Research	$ 632,443	$ 2,840,400	$ 3,472,843
Financial Aid	86,679	2,298,031	2,384,710
Academic and Student Support	141,679	711,521	853,200
Operations and Facilities	1,079,756	1,169,192	2,248,948
Endowment net assets, June 30, 2025	$ 1,940,557	$ 7,019,144	$ 8,959,701

From time to time, the fair values of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires to retain as a fund of perpetual duration due to market declines. Deficiencies of this nature are reported as reductions in net assets with donor restrictions. As of June 30, 2026, funds with an original gift value of $8,646,000 had a current fair value of $7,847,000 resulting in a deficiency of $799,000. As of June 30, 2025, funds with an original gift value of $57,947,000 had a fair value of $56,224,000, resulting in a deficiency of $1,723,000.

Dartmouth employs a total return endowment utilization policy that establishes the amount of investment return made available for spending each fiscal year. The amount appropriated for expenditure each year is independent of the actual return for the year. The Board approves the formula that determines the amount appropriated from endowment each year. The resulting fiscal year 2026 endowment distribution of $476,201,000 represents a 5.31% distribution rate when measured against the previous year's June 30th endowment value. Investment return earned in excess of the amount appropriated annually is reinvested in the funds but can be appropriated in future years in accordance with the utilization policy. The net appreciation on donor restricted endowment funds is reported in net assets with donor restrictions until such time as all or a portion of the appreciation is appropriated for spending in accordance with the utilization policy and applicable state law.

The overall investment performance objective for the endowment is to generate real (inflation-adjusted) returns net of investment expenses sufficient to support Dartmouth's current operating needs while maintaining the long-term purchasing power of the endowment. The Investment Committee of the Board of Trustees has determined that a well-diversified mix of assets offers the best opportunity for maximum return with acceptable risk over time. Dartmouth relies on a total return strategy in which investment returns are achieved through both capital appreciation (both realized and unrealized) and current yield (interest and dividends).

F. Land, Buildings, Equipment, and Construction in Progress

Land, buildings, equipment, and construction in progress balances at June 30 were as follows (in thousands):

	2026	2025
Land	$ 59,178	$ 54,850
Buildings	2,099,938	1,941,828
Land improvements	159,805	142,598
Equipment and software	508,869	486,777
Land, buildings, and equipment	$ 2,827,790	$ 2,626,053
Less: accumulated depreciation	(1,519,264)	(1,430,317)
Construction in progress	446,768	329,692
Total net book value	$ 1,755,294	$ 1,525,428

Dartmouth has conditional asset retirement obligations arising from legal obligations to perform certain activities in connection with the retirement, disposal, or abandonment of assets, including asbestos abatement, leasehold improvements, hazardous materials, and equipment disposal and cleanup.

G. Liquidity and Availability of Resources

As of June 30, 2026 and 2025, Dartmouth's financial assets and liquidity resources available within one year for general expenditures were as follows (in thousands):

	2026	2025
Financial assets:		
Cash and liquid operating investments	$ 1,530,160	$ 1,284,089
Notes and accounts receivable, net	85,096	273,317
Contributions receivable	63,416	42,896
Taxable debt (unexpended)	305,579	106,000
Approved endowment payout for following year	495,955	469,956
Total financial assets available within one year	$ 2,480,206	$ 2,176,258
Liquidity resources:		
Taxable commercial paper (undrawn)	130,000	120,000
Lines of credit	450,000	450,000
Total financial assets and liquidity resources available within one year	$ 3,060,206	$ 2,746,258

As part of Dartmouth's liquidity management strategy financial assets are structured to be available as general expenditures, liabilities and other obligations come due. Dartmouth maintains three lines of credit and a taxable commercial paper program that are drawn upon as needed. The maturity dates range from December 2026 through May 2029. There was no outstanding borrowing on any of the lines of credit as of June 30, 2026 or 2025.

Additionally, Dartmouth has board-designated endowment funds of $2,168,608,000. Although Dartmouth does not intend to spend from its board-designated endowment funds other than amounts appropriated for expenditure as part of its annual budget approval process, amounts from these funds could be made available if necessary. However, both the board-designated and donor-restricted endowments contain investments with lock-up provisions that reduce the total investment that could be made available.

Dartmouth maintains a stand-by bond purchase agreement totaling $75,000,000 to provide alternative liquidity to support its variable rate demand bonds in the event that the bonds cannot be remarketed. Financing obtained through stand-by credit agreements to fund the repurchase of such bonds would bear interest rates different from those associated with the original

bond issues and mature over a three or a five-year period following repurchase. The agreement has a maturity date of December 2027. There were no amounts outstanding at June 30, 2026 or 2025 under this agreement.

H. Bonds, Mortgages, and Notes Payable

Indebtedness at June 30 consisted of the following (in thousands):

	Fiscal Year Maturity	2026 Interest Rate	2026	2025
New Hampshire Health and Education Facilities Authority (NHHEFA):				
Tax-Exempt Fixed Rate:				
Series 2015A&B	2040	3.30%	$ 101,000	$ 101,000
Series 2015C&D	2038	3.30%	89,515	89,515
Series 2017	2028	5.00%	37,660	37,660
Series 2025A	2032	5.00%	75,000	-
Series 2025A	2035	5.00%	80,000	-
Tax-Exempt Variable Rate:				
Series 2007B	2041	0.1% - 3.90%	75,000	75,000
Series 2016A	2043	3.206% - 3.734%	165,000	165,000
Subtotal tax-exempt bonds			$ 623,175	$ 468,175
Taxable Bonds:				
Fixed Rate				
Series 2012A	2042	4.00%	70,000	70,000
Series 2012B	2043	3.76%	150,000	150,000
Series 2016A	2046	3.47%	250,000	250,000
Series 2025B	2030	4.27%	300,000	-
Subtotal taxable bonds			$ 770,000	$ 470,000
Mortgages on real estate investments:				
Fixed Rate	2036	3.63%	6,889	13,176
Subtotal bonds and mortgages			$ 1,400,064	$ 951,351
Taxable commercial paper note:				
Variable Rate		3.67% - 4.30%	$ 20,000	$ 30,000
Original issue premium, net			18,408	2,618
Unamortized debt issuance costs			(2,882)	(1,790)
Total bonds, mortgages, and notes payable, net			$ 1,435,590	$ 982,179

In fiscal year 2026, Dartmouth issued $155,000,000 of tax-exempt fixed rate NHHEFA Series 2025A bonds, generating proceeds of $173,832,000 including original issue premium, and $300,000,000 of taxable fixed rate Series 2025B bonds issued at par. Proceeds of the Series 2025A bonds are being used to fund certain capital projects that are underway. At June 30, 2026, unexpended proceeds of the Series 2025A total $30,542,000 and are held by the Bond Trustee. The unexpended proceeds are reported as Investments held by bond trustee in the Consolidated Statements of Financial Position. Proceeds of the Series 2025B bonds will be used for general corporate purposes and for funding capital projects. The $300,000,000 of unexpended Series 2025B bond proceeds are presented as Investments in the Consolidated Statements of Financial Position.

Interest expense for the years ended June 30, 2026 and 2025 was $54,773,000 and $37,357,000, respectively.

Scheduled principal payments due for each of the next five years ending June 30 and thereafter, excluding maturity of commercial paper and unamortized discounts and premiums are as follows (in thousands):

June 30	Principal Due
2027	$ 549
2028	38,229
2029	591
2030	300,612
2031	635
Thereafter	1,059,448
Total	$ 1,400,064

Principal due after June 30, 2031, includes the following "balloon" payments due on Dartmouth's indebtedness (in thousands):

June 30	Indebtedness	Payment
2032	Series 2025A	$ 75,000
2035	Series 2025A	80,000
2036	NHHEFA 2007B	18,000
2038	NHHEFA Series 2015 C&D bonds	89,515
2040	NHHEFA Series 2015 A&B bonds	101,000
2041	NHHEFA Series 2007B bonds	57,000
2042	Series 2012A bonds	70,000
2043	Series 2012B bonds	150,000
2043	NHHEFA Series 2016A bonds	165,000
2046	Series 2016 A bonds	250,000

The bonds are unsecured general obligations of Dartmouth, backed by Dartmouth's full faith and credit. None of the bonds are secured by a reserve fund, mortgage lien or security interest on or in any funds, revenues or other assets of Dartmouth, except for funds held from time to time by the Bond Trustee for the benefit of the bondholders. Dartmouth has agreed to certain covenants with respect to encumbrance or disposition of its core campus. The Series 2025A and Series 2025B bonds are subject to optional redemption prior to maturity at a make-whole redemption price.

Original issue premium, debt issuance costs and underwriter's discount are amortized on a straight-line basis over the term of the related bonds.

Commercial paper consists of notes issued in the short-term taxable market, and is sold at a discount from par. The maturities of individual notes may not exceed 270 days and are in a range of thirty to ninety days. Dartmouth reports commercial paper at carrying value, which closely approximates fair value for those liabilities.

Swap Agreements:
Dartmouth uses interest rate swap agreements to manage the interest rate risk associated with its variable rate debt, exchanging variable rate payments for fixed rate payments on a portion of that debt. Dartmouth does not designate these agreements as hedges for accounting purposes and records them at fair value, with changes in fair value recognized in non-operating activities. Dartmouth is party to six interest rate swap agreements. Information related to these interest rate swap agreements as of June 30, 2026, including the fixed interest rate paid by Dartmouth and percent of SOFR received on the notional amount, is presented in the table below:

Expiration Date	Notional Amount (in thousands)	Fixed Interest Rate %	% of SOFR
06/01/2027	$ 31,795	3.77%	72
06/01/2028	52,230	3.78%	72
06/01/2032	100,000	3.75%	67
06/01/2041	100,000	3.73%	70
06/01/2042	100,000	3.73%	70
06/01/2043	165,000	3.74%	70

The fair value of these agreements at June 30, 2026 and 2025 based on various factors contained in the interest rate swap agreements and certain interest rate assumptions, was approximately $36,203,000 and $49,390,000, respectively, and is considered a Level 2 measurement. The decrease in the liability of $13,187,000 and increase of $1,819,000 for the years ended June 30, 2026 and 2025 are presented as a change in unrealized gain in the non-operating section of the Consolidated Statement of Activities. Net payments or receipts under the swap agreements associated with facilities debt are reflected as interest expense. These financial instruments involve counter-party credit exposure.

I. Employment and Retirement Obligations

Liabilities for retirement medical benefits, salaries, wages, and other benefits under employment agreements consisted of the following at June 30 (in thousands):

	2026	2025
Retirement medical benefits	$ 211,675	$ 220,308
Deferred compensation obligation	87,858	73,525
Compensated absences, self-insured benefits and other commitments	56,648	57,171
Total employment related obligations	$ 356,181	$ 351,004

Retirement benefits are provided to employees principally through defined contribution plans. Dartmouth also has a defined benefit pension plan that was closed to non-union staff in fiscal year 1998 and closed to union staff in fiscal year 2007.

Dartmouth's retirement medical benefits consist of medical insurance coverage for retirees. Employees hired prior to July 1, 2009 that are 55 or older and have at least ten continuous years of service in a benefits-eligible position immediately prior to retirement are currently eligible for a subsidy toward the purchase of retiree medical benefits. The subsidy amount is based on the employee's annual salary, age, and years of service as of June 30, 2009. For retirees under the age of 65, the medical insurance options are the same as for active employees. At age 65, the retiree would enroll in the Dartmouth College Medicare Supplement (DCMS) plan. New employees hired on or after July 1, 2009 are eligible to participate in a retirement savings match and are eligible to purchase the retiree group medical insurance at full cost if they qualify at retirement.

Information pertaining to the pension and retirement medical benefits at June 30 includes (in thousands):

	Pension Benefits		Retirement Medical Benefits	
Change in benefit obligation:	2026	2025	2026	2025
Beginning of year	$ 86,403	$ 89,091	$ 220,308	$ 197,426
Service cost	888	955	575	529
Interest cost	4,277	4,608	11,122	10,318
Benefits paid	(8,090)	(7,679)	(15,356)	(13,326)
Actuarial (gain)/loss	(587)	(571)	(4,974)	25,361
End of year	$ 82,891	$ 86,404	$ 211,675	$ 220,308
Change in estimated fair value of plan assets:				
Beginning of year	$ 104,044	$ 103,460	$ -	$ -
Actual return on plan assets	8,499	8,263	-	-
Employer contributions	-	-	15,356	13,326
Benefits paid	(8,090)	(7,679)	(15,356)	(13,326)
End of year	$ 104,453	$ 104,044	$ -	$ -
Funded status (plan assets more (less) than benefit obligation)	$ 21,562	$ 17,640	$ (211,675)	$ (220,308)

The pension assets of $21,562,000 and $17,640,000 as of June 30, 2026 and 2025, respectively, is included in Receivables and other assets, net, in the Consolidated Statement of Financial Position.

Net periodic benefit (income) cost included the following:				
Operating – service cost	$ 888	$ 955	$ 575	$ 529
Non-operating:				
Interest cost	4,277	4,608	11,122	10,318
Expected return on assets	(6,749)	(7,029)	-	-
Recognized net actuarial (gain)/loss	-	(333)	(2,823)	(5,960)
Total non-operating	$ (2,472)	$ (2,754)	$ 8,299	$ 4,358
Net periodic benefit cost (income)	$ (1,584)	$ (1,799)	$ 8,874	$ 4,887

	Pension Benefits		Retirement Medical Benefits	
	2026	2025	2026	2025
Weighted-average assumptions for determining net periodic benefit cost:				
Discount Rate – Benefit Obligation	5.43%	5.39%	5.61%	5.49%
Discount Rate – Service Cost	5.62%	5.42%	5.90%	5.64%
Discount Rate – Interest Cost	5.21%	5.48%	5.18%	5.36%
Expected return on plan assets	6.22%	6.14%	-	-
Weighted-average assumptions for determining benefit obligations:				
Rate of compensation increase	3.50%	3.50%	-	-
Discount rate used to determine benefit obligations	5.57%	5.43%	5.75%	5.61%

The decrease in the retirement medical benefit obligation is driven by favorable medical and prescription drug claims experience, higher expected Employer Group Waiver Plan revenue, favorable demographic experience, and an increase in the discount rate used to determine the benefit obligations. These decreases were partially offset by an increase in the assumed health care cost trend rates and by interest cost on the obligation.

The increase (decrease) in net assets without donor restrictions resulting from the change in pension and retirement medical benefit obligations consisted of the following (in thousands):

	Pension Benefits	Retirement Medical Benefits	Total 2026	Total 2025
Amounts recognized in non-operating activities:				
Net actuarial gain (loss)	$ 2,338	$ 4,974	$ 7,312	$ (23,556)
Amortization of gain (loss)	-	(2,823)	(2,823)	(6,293)
Net periodic benefit cost other than service cost	2,472	(8,299)	(5,827)	(1,604)
Total non-operating gain (loss)	4,810	(6,148)	(1,338)	(31,453)
Amounts recognized in operating activities:				
Service cost	(888)	(575)	(1,463)	(1,484)
Total increase (decrease)	$ 3,922	$ (6,723)	$ (2,801)	$ (32,937)

Amounts in net assets without donor restrictions that have not yet been recognized as components of net periodic benefit cost consist of a net gain of $1,569,000 and a net loss of $768,000 for pension benefits, and net gains of $54,525,000 and $52,373,000 for retirement medical benefits, at June 30, 2026 and 2025, respectively.

The following table lists specified investment terms by asset category for defined benefit pension plan (the Plan) investments in certain commingled funds and private partnership interests that are reported using NAV as the practical expedient as of June 30, 2026 and 2025 (in thousands):

	Fair Value 2026	Fair Value 2025	Redemption Terms	Days Notice	Unfunded 2026	Unfunded 2025
Fixed income	$ 74,782	$ 73,765	Daily	2	$ -	$ -
Global equity	27,344	27,645	Daily	2	-	-
Private equity / Venture capital	18	371	Illiquid	Not applicable	82	88
Total	$ 102,144	$ 101,781			$ 82	$ 88

In addition to the investments disclosed above, the Plan also holds $1,094,000 and $1,954,000 in cash and cash equivalents at June 30, 2026 and 2025, respectively, which is classified as a Level 1 investment in the fair value hierarchy.

The overall investment strategy of the Plan is to utilize an asset mix that is designed to meet the near- and longer-term benefit payment obligations of the Plan. Over time, the asset mix may include global equity and fixed income exposures.

Dartmouth may make annual contributions to maintain funding for the defined benefit plan, taking into account investment and actuarial information, including minimum funding requirements. Dartmouth does not expect to contribute to the Plan in fiscal year 2027.

The accumulated benefit obligation (ABO) of the defined benefit plan was $80,185,000 and $83,745,000 as of June 30, 2026 and 2025, respectively.

Benefit payments, which reflect expected future service, as appropriate, are expected to be paid in each of the next five years ending June 30 and thereafter as follows (in thousands):

	Pension Benefits	Retirement Medical Benefits
2027	$ 8,600	$ 10,400
2028	7,800	11,400
2029	7,500	12,600
2030	7,500	13,600
2031	7,400	14,600
Years 2032 – 2036	33,400	80,600

Assumed health care cost trend rates have a significant effect on the estimated amounts reported for the retirement medical benefit plan. The medical cost trend rates for pre-age 65 and post-age 65 retirees, respectively, are assumed to be 9.80% and 10.20% in year 2026, decrease gradually to 4.5% and 4.5% in fiscal year 2036, respectively, and remain level thereafter.

Dartmouth estimates the costs of the service and interest components through a full yield curve approach by applying the specific spot rates along the yield curve used in the determination of the net periodic expense to the relevant present value of projected cash flows.

Dartmouth also maintains defined contribution retirement plans for its employees. These benefits are individually funded and are subject to various vesting requirements. Under these arrangements, Dartmouth makes contributions to individual self-directed retirement investment accounts for the participants. These contributions for the years ended June 30, 2026 and 2025 were $40,171,000 and $38,014,000, respectively.

J. Other Operating Income

The major components of other operating income for the years ended June 30 were as follows (in thousands):

	2026	2025
Medical School services and other support	$ 21,759	$ 25,294
Foreign study and continuing education programs	14,400	13,753
Student activities and other program revenues	19,777	18,973
Royalty revenues[1]	45,554	212,134
Other revenues	31,773	23,180
Investment income	109,187	118,173
Total other operating income	$ 242,450	$ 411,507

[1] *Does not include distribution to external parties which are recorded as Purchased Services in the Consolidated Statement of Expenses.*

K. Net Assets

Additional information pertaining to Dartmouth's net assets at June 30 is presented below (in thousands):

	2026		
	Without Donor Restrictions	With Donor Restrictions	Total
Detail of net assets:			
Operating funds	$ 776,453	$ 196,689	$ 973,142
Pledges	-	395,009	395,009
Postretirement and pension benefit obligations	(190,113)	-	(190,113)
Third-party charitable trusts	-	4,646	4,646
Facilities and capital	965,989	106,506	1,072,495
Interest rate swap agreements	(36,203)	-	(36,203)
Student loan funds	10,929	22,335	33,264
Other non-operating activities	173,569	29,630	203,199
Life income, annuity, and similar funds	-	101,842	101,842
Endowment funds	2,168,608	7,874,738	10,043,346
Total net assets	$ 3,869,232	$ 8,731,395	$ 12,600,627

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Detail of net assets:			
Operating funds	$ 752,432	$ 191,299	$ 943,731
Pledges	-	394,487	394,487
Postretirement and pension benefit obligations	(202,668)	-	(202,668)
Third-party charitable trusts	-	5,172	5,172
Facilities and capital	849,838	137,644	987,482
Interest rate swap agreements	(49,390)	-	(49,390)
Student loan funds	11,128	21,408	32,536
Other non-operating activities	174,006	25,722	199,728
Life income, annuity, and similar funds	-	87,524	87,524
Endowment funds	1,940,557	7,019,144	8,959,701
Total net assets	$ 3,475,903	$ 7,882,400	$ 11,358,303

L. Commitments and Contingencies

Outstanding commitments on uncompleted construction contracts total $153,765,000 at June 30, 2026.

Investment related commitments as of June 30, 2026 and 2025 are disclosed in the Fair Value NAV tables in Note D, Investments.

All funds expended by Dartmouth in connection with government sponsored grants and contracts are subject to audit by governmental agencies. The ultimate liability, if any, from such audits, is not expected to have a material adverse effect on Dartmouth's financial position.

In conducting its activities, Dartmouth from time to time is the subject of various claims and also has claims against others. The ultimate resolution of such claims is not expected to have either a material adverse or favorable effect on Dartmouth's financial position.

M. Related Party Transactions

Members of Dartmouth's Board of Trustees and senior management may, from time to time, be associated, either directly or indirectly, with companies doing business with Dartmouth. Dartmouth has a written conflict of interest policy that requires annual reporting by each Trustee, as well as senior management. Additionally, Dartmouth has a policy on Pecuniary Benefit Transactions and Related Party Investments. This policy supplements the Dartmouth College Conflict of Interest Policy with regard to pecuniary benefit transactions, as defined by New Hampshire law, including but not limited to Dartmouth's investment in investment vehicles in which Trustees have a financial interest. These policies include, among other things, that no member of the Board of Trustees can participate in any decision in which he or she (or an immediate family member) has a material financial interest. When such relationships exist, measures are taken to mitigate any actual or perceived conflict, including requiring that such transactions be for goods or services purchased or benefits provided in the ordinary course of the business of Dartmouth, for the actual or reasonable value of the goods or services or for a discounted value, based on terms that are fair and reasonable to and in the best interest of Dartmouth, and in accordance with applicable conflict of interest laws. Transactions with related parties occur in the ordinary course of Dartmouth's activities, which do not have a material effect on its financial position. Related parties may include affiliates, trusts and investment holdings. In addition, related parties may also include Trustee members and senior management, their family members and any entities with which they are associated that may do business with Dartmouth.

N. Subsequent Events

For purposes of determining the effects of subsequent events on these consolidated financial statements, management has evaluated events subsequent to June 30, 2026 and through November 2, 2026, the date on which the consolidated financial statements were issued and has concluded that there were no subsequent events requiring adjustment or disclosure.