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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termination
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
HILLSDALE COLLEGE

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
33 E College Street

City or town, state or country, and ZIP + 4
Hillsdale, MI 49242

D Employer identification number
38-1374230

E Telephone number
(517) 437-7341

G Gross receipts $ 123,622,834

F Name and address of Principal Officer
Larry P Arnn
Hillsdale College
33 E College Street
Hillsdale, MI 49242

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) **Are all affiliates included?** ☐ Yes ☐ No
(If "No," attach a list See instructions)

H(c) Group Exemption Number ▶

I Tax-exempt status ☑ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J **Web site:** ▶ www hillsdale edu

K Type of organization ☑ Corporation ☐ trust ☐ association ☐ other ▶

L Year of Formation 1844

M State of legal domicile MI

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
See Additional Data Table

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	36
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	34
5	Total number of employees (Part V, line 2a)	5	1,751
6	Total number of volunteers (estimate if necessary)	6	700
7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	642,284
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-407,779

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	65,309,706	106,892,694
	9	Program service revenue (Part VIII, line 2g)	33,449,400	36,946,473
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	33,389,278	-22,612,519
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,482,540	1,257,649
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	133,630,924	122,484,297
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	12,430,009	13,978,211
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	31,302,032	33,003,664
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	(Total fundraising expenses, Part IX, column (D), line 25 10,570,599)		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	36,124,453	35,349,836
	18	Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	79,856,494	82,331,711
	19	Revenue less expenses Subtract line 18 from line 12	53,774,430	40,152,586

			Beginning of Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	648,155,470	624,678,049
	21	Total liabilities (Part X, line 26)	118,320,585	115,700,691
	22	Net assets or fund balances Subtract line 21 from line 20	529,834,885	508,977,358

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Please Sign Here

▶ Signature of officer | 2010-02-09 Date

▶ H Kenneth Cole Treasurer
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-empolyed ▶ ☐	Preparer's PTIN (See Gen Inst)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶			EIN ▶
			Phone no ▶

May the IRS discuss this return with the preparer shown above? (See instructions) ☐ Yes ☐ No

Part III Statement of Program Service Accomplishments (See the instructions.)

1 Briefly describe the organization's mission

See Additional Data Table

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting or make significant changes in how it conducts any program services? . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 26,248,957 including grants of $ 0) (Revenue $ 19,885,066)

Student Instruction - Hillsdale College boasts a curriculum as extraordinary as its history At the center of this curriculum is the core - the set of courses that each student takes, and that all students share The idea behind a core curriculum is that all men and women, in order to be well-rounded individuals and good citizens, should share a certain core important knowledge and understanding Hillsdale's core curriculum contains the essence of the classical liberal arts education Through it, our students are introduced to the history, the philosophical and theological ideas, the works of literature and the scientific discoveries that set Western Civilization apart Students of the liberal arts learn to think well, communicate effectively and observe intelligently the workings of the physical world Behind the idea of the liberal arts is the idea that truth is the basis of knowledge Knowledge based on truth leads to caring about virtue and caring about virtue allows us to be truly free The opposite idea - the idea that freedom simply means the ability to follow our appetites and passions - is what the Founders of America condemned as "license " A liberal arts education teaches us to distinguish liberty from license America's Founders, following the greatest thinkers of our Western heritage, teach us that a people who confuse liberty and license will not be capable of maintaining free government Thus, liberal arts education is not only essential for us to fulfill our individual potential, but it is also necessary for the preservation of free society Hillsdale's faculty is the key to its academic excellence We seek and attract faculty who are devoted, above all, to their students, they are serious about learning They are dedicated to the search for truth They are, in the fullest sense of the term, a "teaching" faculty Hillsdale College offers 26 traditional majors, seven interdisciplinary majors, nine pre-professional programs and a certificate program in journalism Students at Hillsdale are prepared to become leaders worthy of their heritage They come to understand what it means to deserve freedom and what it takes to preserve it They come to appreciate their debt to their forefathers and mothers for the blessings of liberty that they enjoy, and to recognize their duty to their children to pass those blessings on

4b (Code) (Expenses $ 13,978,211 including grants of $ 13,978,211) (Revenue $ 7,594,998)

Student Scholarships and Grants - Hillsdale College follows its historic mission to provide "all persons who wish, irrespective of nation, color, or sex, a literary and scientific education," as it has since it was founded in 1844, independently, without the strings and entanglements that come with government subsidies It is famous for its refusal to accept federal taxpayer funding, even in the form of federal student aid In 1984, the Supreme Court handed down a decision in the case of "Grove City v Bell" that threatened Hillsdale College's independence The Court ruled that any educational institution with even one student who received federal aid would be considered an "indirect recipient institution" and thereby subject to federal regulations Hillsdale's Board of Trustees acted swiftly and decisively to uphold the school's longstanding mission They notified the Department of Education that Hillsdale College would not accept federal tuition assistance for its students, but would replace it with privately funded scholarships and grants Hillsdale College is unique in this respect among American institutions of higher learning In the fall of 1985, Hillsdale College's Student Independence Grant and Loan Fund was established It continues to this day, assisting hundreds of deserving students each year who desire a rigorous classical liberal arts education The net cost of replacing federal financial aid since 1985 now exceeds $64 million Nearly $15 million will be awarded in privately funded scholarships and grants during the 2009/2010 academic year, $5 9 million of this total is direct replacement of the federal and state grants, scholarships that Hillsdale students would receive at nearly every other college or university in the nation Approximately 90 percent of Hillsdale students qualify for and receive financial assistance

4c (Code) (Expenses $ 7,189,513 including grants of $ 0) (Revenue $ 930,902)

STUDENT SERVICES - An integral part of the Hillsdale College experience is our student service area The first encounter is with our Admissions Office which had an 8 percent increase in applicants from the previous year and each year the competition for admission to Hillsdale is increasing As the result Hillsdale is able to be more selective in their acceptance of students Our freshman class of approximately 360 students joined a current student body representing 48 states and 8 foreign countries Further, an average ACT composite score of 28 and 1930 on the SAT is indicative of the high quality of student Hillsdale is recruiting Hillsdale is not just about life in the classroom Because preparation for leadership is one of Hillsdale's primary goals, some of the most important lessons can be learned outside the classroom Whether it is athletics, student government, volunteer opportunities, Greek life or the fine and performing arts, students are involved in a variety of co-curricular activities The GOAL (Great Opportunities for Assistance and Leadership) program is Hillsdale's primary volunteer program Through it our students dedicated over 20,000 hours of service in the local community and surrounding region during the past year Activities include tutoring, mentoring, basic living assistance and simple companionship Nearly one-third of Hillsdale's student body is involved in one of our seven national Fraternities and Sororities These Greek chapters encourage philanthropic activities, develop leadership skills and provide a special opportunity to form lifelong friendships Hillsdale's placement record for graduating seniors has averaged 98 percent over the past three years with the most recent class having a 96% placement rate within six months of graduation and 17% attending graduate or professional school

(Code) (Expenses $ 15,501,578 including grants of $ 0) (Revenue $ 24,256,641)

These additional program service expenses include, but are not limited to auxilliary services (bookstore, residential, dining), and plant and maintenance of campus grounds and buildings

4d Other program services (Describe in Schedule O)

(Expenses $ 15,501,578 including grants of $ 0) (Revenue $ 24,256,641)

4e Total program service expenses $ 62,918,259 *Must equal Part IX, Line 25, column (B).*

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		No
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6	Yes	
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8	Yes	
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? *If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11	Yes	
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12	Yes	
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13	Yes	
14a	Did the organization maintain an office, employees, or agents outside of the U S ?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		No
17	Did the organization report more than $15,000 on Part IX, column (A), line 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19	Yes	
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20		No
21	Did the organization report more than $5,000 on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		No
22	Did the organization report more than $5,000 on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to question 25*	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		No
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? *If "Yes," complete Schedule L, Part I*	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		No

Part IV Checklist of Required Schedules *(Continued)*

			Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee			
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? *If "Yes," complete Schedule L, Part IV*	28a		No
b	Have a family member who had a direct or indirect business relationship with the organization? *If "Yes," complete Schedule L, Part IV*	28b	Yes	
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? *If "Yes," complete Schedule L, Part IV*	28c		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30	Yes	
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34		No
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35		No
36	501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		No
37	Did the organization conduct more than 5 percent of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No

Part V Statements Regarding Other IRS Filings and Tax Compliance

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0-* if not applicable	1a	2,004			
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	3			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	1,751			
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? **Note:** *If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.*			2b	Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?			3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a	Yes	
b	If "Yes," enter the name of the foreign country BD , CJ , VQ See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** *Report of Foreign Bank and Financial Accounts.*					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, *Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?*			5c		
6a	Did the organization solicit any contributions that were not tax deductible?			6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	*Organizations that may receive deductible contributions under section 170(c).*					
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of $75 or more?			7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c	Yes	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	3			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?			7g		No
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h	Yes	
8	*Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		No
9	*Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.*					
a	Did the organization make any taxable distributions under section 4966?			9a		No
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		No
10	*Section 501(c)(7) organizations.* Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	Section 501(c)(12) organizations Enter					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	*Section 4947(a)(1) non-exempt charitable trusts.* Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				

Part VI **Governance, Management, and Disclosure** *(Sections A, B, and C request information about policies not required by the Internal Revenue Code.)*

Section A. Governing Body and Management

For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

			Yes	No
1a	Enter the number of voting members of the governing body . .	1a 36		
b	Enter the number of voting members that are independent . .	1b 34		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		No
6	Does the organization have members or stockholders?	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	the governing body?	8a	Yes	
b	each committee with authority to act on behalf of the governing body?	8b	Yes	
9a	Does the organization have local chapters, branches, or affiliates?	9a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10		No
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11		No

Section B. Policies

			Yes	No
12a	Does the organization have a written conflict of interest policy? *If "No", go to line 13*	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13		No
14	Does the organization have a written document retention and destruction policy?	14		No
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision			
a	The organization's CEO, Executive Director, or top management official?	15a	Yes	
b	Other officers or key employees of the organization?	15b	Yes	
	Describe the process in Schedule O			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ own website ☐ another's website ☑ upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

H Kenneth Cole
33 E College Street
Hillsdale, MI 49242
(517) 437-7341

Part VII **Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Section A Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Use Schedule J-2 if additional space is needed

* List all of the organization's **current** officers, directors, trustees (whether individuals or organizations) and key employees regardless of amount of compensation, and current key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid

* List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations

* List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations

* List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if the organization did not compensate any officer, director, trustee or key employee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply) Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations

Part VII Continued

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
1b Total . . . . ►								1,817,911	0	0

2 Total number of individuals (including those in 1a) who received more than $100,000 in reportable compensation from the organization ►36

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
4	For any individual listed online 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
Mulwood Investment Company DBA MJ Print & Imaging 25531 Dequindre Road Madison Heights, MI 48071	Printing	861,864
Friess Associates LLC P O Box 576 Jackson, WY 83001	Investment Mgmt	332,247
Seaway Painting 31801 Schoolcraft Road Livonia, MI 48150	Painting	169,771
Simplex Grinnell LP 50 Technology Drive Westminster, MA 01441	Fire/Alarm service	151,002
Westlake Reed Leskosky 925 Euclid Avenue Cleveland, OH 44115	Architectural Service	139,614
2 Total number of independent contractors (including those in 1) who received more than $100,000 in compensation from the organization . . . . ►		8

Part VIII **Statement of Revenue**

			(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
Contributions, gifts, grants and other similar amounts						
1a	Federated campaigns . . 1a	0				
b	Membership dues 1b	0				
c	Fundraising events 1c	0				
d	Related organizations . . . 1d	0				
e	Government grants (contributions) 1e	0				
f	All other contributions, gifts, grants, and similar amounts not included above 1f	106,892,694				
g	Noncash contributions included in lines 1a-1f $ 53,924,273					
h	**Total (Add lines 1a-1f)** . . . . ▶		106,892,694			
Program Service Revenue		Business Code				
2a	Tuition & Fees		27,662,758	27,662,758	0	
b	Auxilliary Revenue		8,539,076	8,539,076	0	
c	Other Auxiliary	721,110	744,639	0	744,639	
d						
e						
f	All other program service revenue					
g	**Total. Add lines 2a-2f** . . . . ▶ $ 36,946,473					
Other Revenue						
3	Investment income (including dividends, interest other similar amounts) . . . . ▶		5,875,396	0	0	5,875,396
4	Income from investment of tax-exempt bond proceeds . . ▶		0	0	0	0
5	Royalties		0	0	0	0
		(i) Real / (ii) Personal				
6a	Gross Rents	238,601 / 0				
b	Less rental expenses	409,413 / 0				
c	Rental income or (loss)	-170,812 / 0				
d	Net rental income or (loss) . . . . ▶		-170,812	0	-170,812	0
		(i) Securities / (ii) Other				
7a	Gross amount from sales of assets other than inventory	-28,487,915 / 0				
b	Less cost or other basis and sales expenses	0 / 0				
c	Gain or (loss)	-28,487,915 / 0				
d	Net gain or (loss) . . . . ▶		-28,487,915	0	0	-28,487,915
8a	Gross income from fundraising events (not including $ ____ of contributions reported on line 1c) See Part IV, line 18 *Attach Schedule G if total exceeds $15,000* . . . . a	0				
b	Less direct expenses . . . b					
c	Net income or (loss) from fundraising events . . ▶					
9a	Gross income from gaming activities See part IV, line 19 *Complete Schedule G if total exceeds $15,000* a	148,780				
b	Less direct expenses . . . b	63,589				
c	Net income or (loss) from gaming activities . . . ▶		85,191	85,191	0	0
10a	Gross sales of inventory, less returns and allowances . a	1,081,638				
b	Less cost of goods sold . . b	665,535				
c	Net income or (loss) from sales of inventory . . ▶		416,103	0	0	416,103
	Miscellaneous Revenue	Business Code				
11a	HESC rental/guests/memberships	713,900	66,638	0	66,638	0
b	Duplicating	323,100	1,819	0	1,819	0
c						
d	All other revenue ____		858,710	0	0	858,710
e	**Total. Add lines 11a-11d** . . . . $ 927,167					
12	**Total Revenue.** Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . . . ▶		122,484,297	36,287,025	642,284	-21,337,706

Part IX **Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	0	0		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	13,978,211	13,978,211		
3	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16	0	0		
4	Benefits paid to or for members	0	0		
5	Compensation of current officers, directors, trustees, and key employees	1,881,325	649,109	550,937	681,279
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	23,945,208	18,903,266		2,121,071
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,060,409	1,529,368	321,314	209,727
9	Other employee benefits	3,370,876	2,747,256	432,246	191,374
10	Payroll taxes	1,745,846	1,320,954	248,447	176,445
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	262,492	2,575	138,819	121,098
c	Accounting	72,806		72,806	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees	461,683		461,683	
g	Other	2,561,983	820,807	246,900	1,494,276
12	Advertising and promotion	866,823	128,615	5,810	732,398
13	Office expenses	9,800,341	7,156,757	537,481	2,106,103
14	Information technology	1,332,543	317,102	993,289	22,152
15	Royalties . .				
16	Occupancy	4,732,847	3,930,162	721,840	80,845
17	Travel	4,126,955	1,981,290	341,744	1,803,921
18	Payments of travel or entertainment expenses for any Federal, state or local public officials	0			
19	Conferences, conventions and meetings	1,176,576	1,003,495	32,170	140,911
20	Interest	237,847		237,847	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	4,403,237	3,759,435	407,738	236,064
23	Insurance				
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	Equipment	306,843	306,843	0	0
b	Cost of Goods Sold	2,726,061	2,726,061	0	0
c	Memberships	90,544	53,901	15,159	21,484
d	Gifts & Awards	361,196	265,858	29,590	65,748
e	Miscellaneous	1,829,059	1,337,194	126,162	365,703
f	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24f	82,331,711	62,918,259	8,842,853	10,570,599
26	**Joint Costs.** Check ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing	107,995	1	183,649
	2	Savings and temporary cash investments	27,844,505	2	31,266,627
	3	Pledges and grants receivable, net	45,499,249	3	52,751,930
	4	Accounts receivable, net	2,597,414	4	607,210
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties *Complete Part II of Schedule L*	0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) *Complete Part II of Schedule L*	0	6	0
	7	Notes and loans receivable, net	29,548,758	7	30,543,786
	8	Inventories for sale or use	490,817	8	459,291
	9	Prepaid expenses and deferred charges	891,372	9	816,464
	10a	Land, buildings, and equipment cost basis — 10a: 164,308,875			
	b	Less accumulated depreciation *Complete Part VI of Schedule D* — 10b: 47,837,041	110,187,866	10c	116,471,834
	11	Investments—publicly traded securities	346,853,826	11	109,963,261
	12	Investments—other securities See Part IV, line 11 *Complete Part VII of Schedule D*	82,300,949	12	280,193,335
	13	Investments—program-related See Part IV, line 11 *Complete Part VIII of Schedule D*	0	13	
	14	Intangible assets	0	14	0
	15	Other assets See Part IV, line 11 *Complete Part IX of Schedule D*	1,832,719	15	1,420,662
	16	**Total assets.** *Add lines 1 through 15 (must equal line 34)*	648,155,470	16	624,678,049
Liabilities	17	Accounts payable and accrued expenses	22,623,613	17	20,561,825
	18	Grants payable	0	18	0
	19	Deferred revenue	1,247,887	19	1,337,026
	20	Tax-exempt bond liabilities	12,520,000	20	12,270,000
	21	Escrow account liability *Complete Part IV of Schedule D*	0	21	0
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*	0	22	0
	23	Secured mortgages and notes payable to unrelated third parties	6,307,086	23	6,700,283
	24	Unsecured notes and loans payable	0	24	0
	25	Other liabilities *Complete Part X of Schedule D*	75,621,999	25	74,831,557
	26	**Total liabilities.** *Add lines 17 through 25*	118,320,585	26	115,700,691
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	175,366,399	27	89,549,050
	28	Temporarily restricted net assets	128,376,883	28	139,576,386
	29	Permanently restricted net assets	226,091,603	29	279,851,922
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	529,834,885	33	508,977,358
	34	Total liabilities and net assets/fund balances	648,155,470	34	624,678,049

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ cash ☑ accrual ☐ other			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits?	3b		

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SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.
Attach to Form 990 or Form 990-EZ. See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
HILLSDALE COLLEGE

Employer identification number
38-1374230

Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only **one** organization)

1 ☐ A church, convention of churches, or association of churches described in **Section 170(b)(1)(A)(i).**

2 ☑ A school described in **Section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or a cooperative hospital service organization described in **Section 170(b)(1)(A)(iii).** (Attach Schedule H)

4 ☐ A medical research organization operated in conjunction with a hospital described in **Section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **Section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **Section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **Section 170(b)(1)(A)(vi)** (Complete Part II)

8 ☐ A community trust described in **Section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 331/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 331/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **Section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **Section 509(a)(4).** (See instructions)

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **Section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally Integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?	**11g(i)**		
(ii) a family member of a person described in (i) above?	**11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

h Provide the following information about the organizations the organization supports

(i) Name of Supported Organization	**(ii)** EIN	**(iii)** Type of organization (described on lines 1- 9 above or IRC section **(See Instructions)**)	**(iv)** Is the organization in col **(i)** listed in your governing document?		**(v)** Did you notify the organization in col **(i)** of your support?		**(vi)** Is the organization in col **(i)** organized in the U S ?		**(vii)** Amount of support?
			Yes	**No**	**Yes**	**No**	**Yes**	**No**	
Total									

Part II **Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Public Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add line 1-3						
5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f)						
6 **Public Support** subtract line 5 from line 4						

Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total Support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (See instructions) | 12 |

13 **First Five Years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Computation of Public Support Percentage

14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f)) | 14 |

15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f | 15 |

16a **33 1/3% Test - 2008.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% Test - 2007.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10% Facts and Circumstances Test - 2008.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10% Facts and Circumstances Test - 2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private Foundation.** If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶☐

Part III **Support Schedule for Organizations Described in IRC 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	**(a)** 2004	**(b)** 2005	**(c)** 2006	**(d)** 2007	**(e)** 2008	**(f)** Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total** Add lines 1-5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or $5,000						
c Total of lines 7a and 7b						
8 **Public Support** (Substract line 7c from line 6)						

Total Support

Calendar year (or fiscal year beginning in)	**(a)** 2004	**(b)** 2005	**(c)** 2006	**(d)** 2007	**(e)** 2008	**(f)** Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total Support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Computation of Public Support Percentage

15 Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	**15**	
16 Public Support Percentage for 2007 Schedule A, Part IV-A, line 27g	**16**	

Computation of Investment Income Percentage

17 Investment Income Percentage for **2008** (line 10c column (f) divided by line 13 column (f))	**17**	
18 Investment Income Percentage from **2007** Schedule A, Part IV-A, line 27h	**18**	

19a **33 1/3% Tests - 2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% Tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ▶☐

Part IV **Supplemental Information.** Complete this part to provide the information required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Provide and any other additional information. (see instructions)

Facts and Circumstances Test

Additional Data

Software ID:
Software Version:
EIN: 38-1374230
Name: HILLSDALE COLLEGE

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Bruce C Sanborn , Trustee	0	X						0	0	0
C Donald Miller Jr , Trustee	0	X						0	0	0
Charles S McIntyre III , Trustee	0	X						0	0	0
David L Belew , Trustee	0	X						0	0	0
Donald R Mossey , Trustee	0	X						0	0	0
Duane Stranahan Jr , Trustee	0	X						0	0	0
Frank Shakespeare , Trustee	0	X						0	0	0
Gregory C Schuler , Trustee	0	X						0	0	0
Harvey C Fruehauf Jr , Trustee	0	X						0	0	0
Hazel Hare , Trustee	0	X						0	0	0
J Eric Plym , Trustee	0	X						0	0	0
Jeffrey H Coors , Trustee	0	X						0	0	0
Joseph H Moss , Trustee	0	X						0	0	0
Lawrence O Selhorst , Trustee	0	X						0	0	0
Mark L Johnson , Trustee	0	X						0	0	0
Michael Bozic , Trustee	0	X						0	0	0
Patrick L Sajak , Trustee	0	X						0	0	0
Philip M Crane , Trustee	0	X						0	0	0
Robert E Richardson , Trustee	0	X						0	0	0
Robert F Kizer , Trustee	0	X						0	0	0
Ronald A Schiavone , Trustee	0	X						0	0	0
Stephen A Van Andel , Trustee	0	X						0	0	0
Stephen S Higley , Trustee	0	X						0	0	0
Thomas N Jordan Jr , Trustee	0	X						0	0	0
Thomas T Rogers , Trustee	0	X						0	0	0
Trefle P Harnois , Trustee	0	X						0	0	0
Walter E Auch , Trustee	0	X						0	0	0
William E LaMothe , Trustee	0	X						0	0	0
William J Brodbeck , Chairman of the Board	0	X						0	0	0
William S Atherton , Trustee	0	X						0	0	0

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply) Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Donald W Layden , Trustee	0	X						0	0	0
Charles J Luellen , Trustee	0	X						0	0	0
Jack E Stalsby , Trustee	0	X						0	0	0
Larry P Arnn , President	40			X				421,329	0	0
H Kenneth Cole , Treasurer	40			X				189,304	0	0
Richard Pewe , Secretary	40			X				112,115	0	0
John Cervini , Vice President for Institutional Advancement	40				X			249,343	0	0
Robert Blackstock , Provost	40				X			191,655	0	0
Burton Folsom , Professor	40					X		133,500	0	0
Anthony P Frudakis , Professor	40					X		132,490	0	0
Grigor Hasted , Staff	40					X		131,678	0	0
Kenneth R Calvert , Staff	40					X		129,666	0	0
Howard Kaloogian , Staff	40					X		126,831	0	0

Form 990, Part I, Line 1 - Briefly describe the Organization's mission or most significant activities:

Hillsdale upholds its founding mission of liberal arts education, and operates without federal or state funding. Hillsdale offers a classical liberal arts curriculum, requiring each student to enroll in core courses covering literature, history, sciences and the US Constitution. The Founders Campaign capital and endowment goals improve the physical plant and endow student scholarships, faculty chairs, annual operations and Imprimis, a monthly publication that reaches 1.8 million readers. For students, faculty and guests, Hillsdale conducts Center for Constructive Alternatives seminars on campus; National Leadership Seminars are held at national sites for adult constituents. In 2008-09, Hillsdale established the Allan P. Kirby, Jr. Center for Constitutional Studies and Citizenship to enhance the education of its students who intern in Washington, D.C. Hillsdale is expanding its website to offer podcasts and video streams of guest lecturers and faculty participating in its seminars.

Form 990, Part III, Line 1 - Briefly describe the organization's mission:

Hillsdale is an independent, nonsectarian institution of higher learning founded in 1844 by men and women "grateful to God for the inestimable blessings resulting from civil and religious liberty" and "believing that the diffusion of learning is essential to the perpetuity of these blessings." It pursues the founders' stated object "to furnish all persons who wish, irrespective of nation, color or sex, a literary and scientific education...and to combine with this such moral and social instruction as will best develop the minds and improve the hearts of its pupils." ...By training the young in the liberal arts, Hillsdale prepares students to become leaders worthy of that legacy. By encouraging the scholarship of its faculty, it contributes to the preservation of that legacy for future generations. By publicly defending that legacy, it enlists the aid of other friends of free civilization and thus secures the conditions of its own survival and independence.

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SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
HILLSDALE COLLEGE

Employer identification number
38-1374230

Part I **Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	2	0
2	Aggregate Contributions to (during year)	0	0
3	Aggregate Grants from (during year)	139,718	0
4	Aggregate value at end of year	2,213,982	0

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☑ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☑ Yes ☐ No

Part II **Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of certified historic structure
☐ Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ $

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ 110,095

(ii) Assets included in Form 990, Part X ▶ $ 4,764,192

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ 0

b Assets included in Form 990, Part X ▶ $ 0

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☑ Public exhibition
d ☐ Loan or exchange programs
b ☑ Scholarly research
e ☐ Other
c ☑ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☑ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain why in Part XIV and complete the following table

			Amount
c	Beginning balance	1c	
d	Additions during the year	1d	
e	Distributions during the year	1e	
f	Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

		(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a	Beginning of year balance	250,374,018				
b	Contributions	57,632,417				
c	Investment earnings or losses	-12,188,622				
d	Grants or scholarships	6,777,362				
e	Other expenditures for facilities and programs	20,747,167				
f	Administrative expenses	461,683				
g	End of year balance	267,831,601				

2 Provide the estimated percentage of the year end balance held as

a Board designated or quasi-endowment ▶ 6 %

b Permanent endowment ▶ 91 %

c Term endowment ▶ 3 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

			Yes	No
	(i) unrelated organizations	3a(i)		No
	(ii) related organizations	3a(ii)		No
b	If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land	5,892,577	0		5,892,577
b Buildings	119,159,585	0	32,882,230	86,277,355
c Leasehold improvements	0	0	0	0
d Equipment	8,833,300	0	6,441,031	2,392,269
e Other	30,423,413	0	8,513,780	21,909,633
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				116,471,834

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or cateory (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products	5,746,070	F
Closely-held equity interests	161,224,218	F
Other Common stocks	19,149,787	F
Other US Treasury Notes	26,255,437	F
Other Govt and Agency Bonds	3,200,781	F
Other Corporate Bonds	7,829,867	F
Other Foreign Bonds	597,138	F
Other Municipal Bonds	874,284	F
Other Held by Third Party	55,315,753	F
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	280,193,335	

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Accrued Interest Receivable	1,198,058
Deferred Bond Issuance costs	222,604
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . ▶	1,420,662

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of Liability	(b) Amount
Federal Income Taxes	0
Liabilities on annuity contracts and trusts	74,637,833
Bond Interest Payable	193,724
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	74,831,557

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	122,484,297
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	82,331,711
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	40,152,586
4	Net unrealized gains (losses) on investments	4	-49,498,246
5	Donated services and use of facilities	5	0
6	Investment expenses	6	0
7	Prior period adjustments	7	0
8	Other (Describe in Part XIV)	8	-11,511,868
9	Total adjustments (net) Add lines 4 - 8	9	-61,010,114
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-20,857,528

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	48,172,826
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	-49,498,246		
b	Donated services and use of facilities	2b	0		
c	Recoveries of prior year grants	2c	0		
d	Other (Describe in Part XIV)	2d	-11,511,868		
e	Add lines **2a** through **2d**			2e	-61,010,114
3	Subtract line **2e** from line **1**			3	109,182,940
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	461,683		
b	Other (Describe in Part XIV)	4b	12,839,674		
c	Add lines **4a** and **4b**			4c	13,301,357
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	122,484,297

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	69,030,353
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a	0		
b	Prior year adjustments	2b	0		
c	Losses reported on Form 990, Part IX, line 25	2c	0		
d	Other (Describe in Part XIV)	2d	1,138,536		
e	Add lines **2a** through **2d**			2e	1,138,536
3	Subtract line **2e** from line **1**			3	67,891,817
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	461,683		
b	Other (Describe in Part XIV)	4b	13,978,211		
c	Add lines **4a** and **4b**			4c	14,439,894
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	82,331,711

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Identifier	Return Reference	Explanation

SCHEDULE E
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Schools

Attach to Form 990 or Form 990-EZ. To be completed by organizations that answer "Yes" to Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
HILLSDALE COLLEGE

Employer identification number
38-1374230

			YES	NO
1	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	1	Yes	
2	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	2	Yes	
3	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe If "No," please explain	3	Yes	

Hillsdale College's policy of non-discrimination is written into its original Articles of Association, which were adopted in 1853 They state, "The object of this institution is and shall be to furnish to all persons who wish, irrespective of nationality, color, or sex, a literary, scientific or theological education as comprehensive and thorough as is usually pursued in other colleges or theological schools in this Country, and to combine with this, such moral, social and artistic instruction and culture as will best develop the minds and improve the hearts of the students " Hillsdale College continues to be governed by these words, and they are incorporated into the school's more recent mission statement These words are included in the College catalog and they are featured prominently in the Hillsdale College Honor Code

			YES	NO
4	Does the organization maintain the following?			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	4a		No
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	4b	Yes	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	4c	Yes	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	4d	Yes	

If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)

In 1844 Hillsdale opened its doors to everyone, and obtained the nation's 1st collegiate charter (1850) that prohibited discrimination based on race, religion or sex The 1st Michigan college (the nation's 2nd) to admit women on a par with men, it was the nation's 2nd to confer the B A to women A pre-Civil War leader in nondiscrimination, it refused to specify race on records or to base decisions or policies on the race of its students, faculty or staff Today it bases admissions/hiring practices on qualification, competence and merit without regard to race, color, religion, national origin, sex, age, disability or any other legally protected status The Catalog states "The College values the merit of each unique individual, rather than succumbing to the dehumanizing, discriminatory trend of so-called 'social justice' and 'multicultural diversity,' which judges individuals not as individuals, but as members of a group and which pits one group against other competing groups "

			YES	NO
5	Does the organization discriminate by race in any way with respect to			
a	Students' rights or privileges?	5a		No
b	Admissions policies?	5b		No
c	Employment of faculty or administrative staff?	5c		No
d	Scholarships or other financial assistance?	5d		No
e	Educational policies?	5e		No
f	Use of facilities?	5f		No
g	Athletic programs?	5g		No
h	Other extracurricular activities?	5h		No

If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)

			YES	NO
6a	Does the organization receive any financial aid or assistance from a governmental agency?	6a		No
b	Has the organization's right to such aid ever been revoked or suspended?	6b		No
	If you answered "Yes" to either 6a or b, please explain using an attached statement			
7	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	7	Yes	

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

▶ Attach to Form 990 or Form 990-EZ. Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than $15,000 on Form 990-EZ, line 6a.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
HILLSDALE COLLEGE

Employer identification number
38-1374230

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

a ☐ Mail solicitations
b ☐ Email solicitations
c ☐ Phone solicitations
d ☐ In-person solicitations
e ☐ Solicitation of non-government grants
f ☐ Solicitation of government grants
g ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising activities? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization Form 990-EZ filers are not required to complete this table

(i) Name of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
Total ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than $5,000.

		(a) Event #1 (event type)	(b) Event #2 (event type)	(c) Other Events (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1 Gross receipts				
	2 Less Charitable contributions				
	3 Gross revenue (line 1 minus line 2)				
Direct Expenses	4 Cash Prizes				
	5 Non-cash Prizes				
	6 Rent/Facility costs				
	7 Other direct expenses				
	8 Direct expense summary Add lines 4 through 7 in column (d) ▶				
	9 Net income summary Combine lines 3 and 8 in column (d) ▶				

Part III **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1 Gross revenue			148,780	148,780
Direct Expenses	2 Cash prizes			51,860	51,860
	3 Non-cash prizes			0	0
	4 Rent/facility costs			5,824	5,824
	5 Other direct expenses			5,905	5,905
	6 Volunteer labor	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	☐ Yes ____ % ☑ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				63,589
	8 Net gaming income summary Combine lines 1 and 7 in column (d) ▶				85,191

			Yes	No
9	Enter the state(s) in which the organization operates gaming activities MI, OH			
a	Is the organization licensed to operate gaming activities in each of these states?	9a	Yes	
b	If "No," Explain			
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a		No
b	If "Yes," Explain			
11	Does the organization operate gaming activities with nonmembers?	11		No
12	Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12		No

				Yes	No
13	Indicate the percentage of gaming activity operated in				
a	The organization's facility	**13a** 75 %			
b	An outside facility	**13b** 25 %			
14	Provide the name and address of the person who prepares the organization's gaming/special events books and records Name ▶ H Kenneth Cole Address ▶ Hillsdale College 33 E College Street Hillsdale, MI 49242				
15a	Does the organization have a contract with a third party from whom the organization receives gaming revenue?		**15a**		No
b	If "Yes," enter the amount of gaming revenue received by the organization ▶ $ ____ and the amount of gaming revenue retained by the third party ▶ $ ____				
c	If "Yes," enter name and address Name ▶ Address ▶				
16	Gaming manager information Name ▶ H Kenneth Cole Gaming manager compensation ▶ $ 0 Description of services provided ▶ See Schedule O ☑ Director/officer ☑ Employee ☐ Independent contractor				
17	Mandatory distributions				
a	Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?		**17a**		No
b	Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $ 0				

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the U.S.

Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22. Attach to Form 990.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
HILLSDALE COLLEGE

Employer identification number
38-1374230

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 if additional space is needed . . . ▶ ☐

1(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance

2 Enter total number of section 501(c)(3) and government organizations . . . ▶

3 Enter total number of other organizations . . . ▶

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	**(b)** Number of recipients	**(c)** Amount of cash grant	**(d)** Amount of non-cash assistance	**(e)** Method of valuation (book, FMV, appraisal, other)	**(f)** Description of non-cash assistance
Scholarships and grants awarded to undergraduate students at Hillsdale College	1264	13,978,211	0	not applicable	

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

See Additional Data Table

Identifier	**Return Reference**	**Explanation**
SchI_P01_S00_L02	Schedule I, Part I, Line 2	Hillsdale College awards both scholarships and grants to its students Students can receive a scholarship at matriculation in the form of merit or performance scholarship Merit scholarship is awarded by committee based upon an incoming student's high school gpa, standardized test scores, and other, more subjective criterion such as community involvement, interview, essays, letters of recommendation, and admissions rank Performance scholarships are awarded by budget managers (typically coaches and fine arts chairs) based upon their own evaluations Criterion for renewal of merit scholarship generally requires students to maintain a 3 0 accumulative gps for renewal The Financial Aid Office polices this 3 0 requirement--and any other scholarship criterion which may be attached to privately-funded, named scholarships Correspondence is sent to students at the end of each semester pertaining to their progress toward scholarship requirements Students may become eligible for additional scholarship after their freshman year based upon classroom performance and campus involvement These scholarship decisions are also made by committee after a review of scholarship budgets and criterion With respect to grants, Hillsdale College students may become eligible for grant monies only by demonstrating significant need on Hillsdale College's Confidential Family Financial Statement (CFFS) or the CollegeBoard's CSS Profile All new applicants are required to submit a copy of the most recent signed tax information of parent(s) and student and any other necessary documents for complete verification of eligibility These needs tests must be resubmitted each year for renewal consideration and adjustments to amounts may be made based upon changes in demonstrated need In addition to demonstrated financial need, grant recipients are required to meet academic standards of progress, exhibit good citizenship and moral character, and be enrolled at least half time The Financial Aid Office monitors these additional components each semester using information provided by the Dean's Office and Registrar's Office

Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
HILLSDALE COLLEGE

Employer identification number
38-1374230

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☑ First class or charter travel ☑ Housing allowance or residence for personal use ☑ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☑ Health or social club dues or initiation fees ☑ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☑ Written employment contract ☐ Independent compensation consultant ☑ Compensation survey or study ☐ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a			
a	Receive a severance payment or change of control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**	Yes	
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Larry P Arnn	(i)	289,867	120,518	10,944	120,518	66,768	608,615	178,996
	(ii)	0	0	0	0	0	0	
H Kenneth Cole	(i)	160,512	28,000	792	0	31,781	221,085	112,902
	(ii)	0	0	0	0	0	0	
Richard Pewe	(i)	111,290	0	825	0	25,230	137,345	65,100
	(ii)	0	0	0	0	0	0	
John Cervini	(i)	158,050	87,850	3,443	0	32,654	281,997	133,079
	(ii)	0	0	0	0	0	0	
Robert Blackstock	(i)	184,263	0	7,392	0	33,948	225,603	112,752
	(ii)	0	0	0	0	0	0	
Burton Folsom	(i)	118,550	0	14,950	0	26,401	159,901	77,290
	(ii)	0	0	0	0	0	0	
Anthony P Frudakis	(i)	132,490	0	0	0	27,468	159,958	87,493
	(ii)	0	0	0	0	0	0	
Grigor Hasted	(i)	122,885	5,500	3,293	0	26,002	157,680	0
	(ii)	0	0	0	0	0	0	
Kenneth R Calvert	(i)	102,427	15,000	12,239	0	24,529	154,195	80,835
	(ii)	0	0	0	0	0	0	
Howard Kaloogian	(i)	115,918	9,800	1,113	0	25,680	152,511	0
	(ii)	0	0	0	0	0	0	
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information

Identifier	Return Reference	Explanation
SchJ_P01_S00_L03	Schedule J, Part I, Line 3	The Prudential Committee (executive committee) of the Board of Trustees approves the CEO's annual salary The Treasurer's Office secures salary information supplied by the Chronicle of Higher Education, compensation consultants and written contract This information is then provided to the Prudential Committee for their review and evaluation
SchJ_P01_S00_L01a	Schedule J, Part I, Line 1a	By the nature of the position, the CEO is required to fulfill several obligations/commitments which may result in travelling first-class and/or charter to accommodate required appointments Further his spouse may accompany him as well as dictated by her required presence for an event The CEO has available to him a discretionary fund (budgeted each year) for assisting individuals and/or projects in need of support Further, the CEO is required to reside in college-owned housing for the purpose of being a presence on campus and for entertainment purposes As the result of living in a college-owned residence, the College provides, as with all campus buildings, light housekeeping The position of CEO also requires membership in certain social/academic organizations and therefore, the college provides the dues/fees associated with that membership
SchJ_P01_S00_L05	Schedule J, Part I, Line 5	Depending on the levels of gift revenue, bonuses were paid

Additional Data

Return to Form

Software ID: 08000095
Software Version: v1.00
EIN: 38-1374230
Name: HILLSDALE COLLEGE

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation (i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation	(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
Larry P Arnn	(i)	289,867	120,518	10,944	120,518	66,768	608,615	178,996
	(ii)	0	0	0	0	0	0	
H Kenneth Cole	(i)	160,512	28,000	792	0	31,781	221,085	112,902
	(ii)	0	0	0	0	0	0	
Richard Pewe	(i)	111,290	0	825	0	25,230	137,345	65,100
	(ii)	0	0	0	0	0	0	
John Cervini	(i)	158,050	87,850	3,443	0	32,654	281,997	133,079
	(ii)	0	0	0	0	0	0	
Robert Blackstock	(i)	184,263	0	7,392	0	33,948	225,603	112,752
	(ii)	0	0	0	0	0	0	
Burton Folsom	(i)	118,550	0	14,950	0	26,401	159,901	77,290
	(ii)	0	0	0	0	0	0	
Anthony P Frudakis	(i)	132,490	0	0	0	27,468	159,958	87,493
	(ii)	0	0	0	0	0	0	
Grigor Hasted	(i)	122,885	5,500	3,293	0	26,002	157,680	0
	(ii)	0	0	0	0	0	0	
Kenneth R Calvert	(i)	102,427	15,000	12,239	0	24,529	154,195	80,835
	(ii)	0	0	0	0	0	0	
Howard Kaloogian	(i)	115,918	9,800	1,113	0	25,680	152,511	0
	(ii)	0	0	0	0	0	0	

Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a.
Provide descriptions, explanations, and any additional information in Schedule O.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
HILLSDALE COLLEGE

Employer identification number
38-1374230

Part I Bond Issues *(Required for 2008)*

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased Yes	(g) Defeased No	(h) On Behalf of Issuer Yes	(h) On Behalf of Issuer No
A	Michigan Higher Education Facilities Authority	52-1258515	594519F39	03-17-2005	13,066,607	cover cost of dormitory/office/classroom buildings		X		X

Part II Proceeds *(Optional for 2008)*

		A		B		C		D		E	
1	Total Proceeds of Issue										
2	Gross Proceeds in Reserve Funds										
3	Proceeds in Refunding or Defeasance Escrows										
4	Other Unspent Proceeds										
5	Issuance Costs from Proceeds										
6	Working Capital Expenditures from Proceeds										
7	Capital Expenditures from Proceeds										
8	Year of Substantial Completion										
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?										
10	Were the bonds issued as part of an advance refunding issue?										
11	Has the final allocation of proceeds been made?										
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?										

Part III Private Business Use *(Optional for 2008)*

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?										
2	Are there any lease arrangements with respect to the financed property which may result in private business use?										

Part III Private Business Use *(Continued)*

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?										
3b	Are there any research agreements with respect to the financed property which may result in private business use?										
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?										
4	Enter the percentage of financed property used in a private business use by entities other than a 501(c)(3) organization or a state or local government										
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another 501(c)(3) organization, or a state or local government										
6	Total of lines 4 and 5										
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?										

Part IV Arbitrage *(Optional for 2008)*

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T been filed wth respect to the bond issue?										
2	Is the bond issue a variable rate issue?										
3a	Has the organization or the government issuer identified a hedge with respect to the bond issue on its books and records?										
b	Name of provider										
c	Term of hedge										
4a	Were gross proceeds invested in a GIC?										
b	Name of provider										
c	Term of GIC										
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5	Were any gross proceeds invested beyond an available temporary period?										
6	Did the bond issue qualify for an exception to rebate?										

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Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ **Attach to Form 990 or Form 990-EZ.**
▶ **To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38b or 40b.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
HILLSDALE COLLEGE

Employer identification number
38-1374230

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . ▶ $

Part II Loans to and/or From Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
Total . . . ▶ $										

Part III Grants or Assistance Benefitting Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
John Cervini	key employee and son-in-law of trustee	281,997	employment		No

SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Non-Cash Contributions

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 29 or 30. Attach to Form 990

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization	Employer identification number
HILLSDALE COLLEGE	38-1374230

Part I Types of Property

		(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1	Art—Works of art	X	3	182,300	appraisal
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods	X		6,395	fmv
6	Cars and other vehicles	X	1	33,315	fmv
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded	X	57	1,892,928	fmv
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution (historic structures)				
14	Qualified conservation contribution (other)				
15	Real estate—Residential				
16	Real estate—Commercial				
17	Real estate—Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other (describe Unitrusts)	X	16	2,638,580	fmv
26	Other (describe Gift Annuities)	X	186	2,761,965	fmv
27	Other (describe Promissory Note)	X	1	16,242	fmv
28	Other (describe misc)	X	1	5,725	fmv
	Other (describe Third Party Trusts)	X	1	46,318,824	fmv

29	Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, *Part IV, Donee Acknowledgement*	29	

			Yes	No
30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a		No
b	If "Yes", describe the arrangement in Part II			
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31		No
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?	32a		No
b	If "Yes", describe in Part II			
33	If the organization did not report revenues in Column (c) for a type of property for which Column (a) is checked, describe in Part II			

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	ReturnReference	Explanation
SchM_P01_S00_L00	Schedule M, Part I	Hillsdale College is reporting the number of contributions rather than the number of each non-cash item (e g shares of stock, artwork, miscellaneous, etc)
SchM_P01_S00_L33	Schedule M, Part I, Line 33	For non-cash contributions where an item's value cannot be determined, the College issues a Gift-in-Kind receipt with only a one cent value The donor has the responsibility to ascertain a value for their tax purposes

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SCHEDULE O

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
HILLSDALE COLLEGE

Employer identification number
38-1374230

Identifier	Return Reference	Explanation
F990_P06_S0A_L02	Form 990, Part VI, Section A, Line 2	One of our trustees is the father-in-law of one of our vice presidents Both gentlemen were affiliated with the college several years before the family connection was established

Identifier	Return Reference	Explanation
F990_P06_S0A_L10	Form 990, Part VI, Section A, Line 10	The Board of Trustees of the College voted to not review the 990 The Controller and Treasurer review the 990 for the College prior to submission

Identifier	Return Reference	Explanation
F990_P06_S0B_L12c	Form 990, Part VI, Section B, Line 12c	All voting members of the Board complete a conflict of interest policy form Each year they update the form if there are changes Those forms are kept by the Secretary of the Board If a conflict is determined, it will be brought to the attention of the Prudential Committee of the Board of Trustees

Identifier	Return Reference	Explanation
F990_P06_S0B_L15	Form 990, Part VI, Section B, Line 15	The compensation of the College's President is determined by the Prudential Committee of the Board of Trustees along with recommendations by external consultants and 990 results listed in Chronicle of Higher Education The compensation of the other officers of the College as well as key employees are recommended by third party consultants This process was last completed in calendar year 2006

Identifier	Return Reference	Explanation
F990_P06_S0C_L19	Form 990, Part VI, Section C, Line 19	Upon request

Identifier	Return Reference	Explanation
SchG_P03_S00_L16	Schedule G, Part III, Line 16	As Treasurer of the College, H Kenneth Cole works with various groups on campus in securing a raffle license from the State of Michigan These licenses are effective only for the day of the raffle Further, the Treasurer completes the Raffle Financial Statement and submits same to the State of Michigan following the raffle