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

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 08-01-2011 and ending 07-31-2012

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

C Name of organization
MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
PO BOX 445

City or town, state or country, and ZIP + 4
HERSHEY, PA 17033

D Employer identification number
23-1353340

E Telephone number
(717) 520-1100

G Gross receipts $ 913,849,321

F Name and address of principal officer
ANTHONY J COLISTRA
PO BOX 830
HERSHEY, PA 17033

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) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW MHS-PA ORG

K Form of organization ☐ Corporation ☐ Trust ☐ Association ☑ Other ▶ SEE SCH O

L Year of formation 1909

M State of legal domicile PA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
IN KEEPING WITH MILTON AND CATHERINE HERSHEY'S DEED OF TRUST, MILTON HERSHEY SCHOOL NURTURES AND EDUCATES CHILDREN IN SOCIAL AND FINANCIAL NEED TO LEAD FULFILLING AND PRODUCTIVE LIVES SEE SCHEDULE O

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	7
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	0
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	1,998
6	Total number of volunteers (estimate if necessary)	6	789
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	46,512
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	40,306	30,325
	9	Program service revenue (Part VIII, line 2g)	720,033	667,944
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	334,677,188	384,479,087
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-639,841	1,201,749
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	334,797,686	386,379,105
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	6,013,232	5,951,970
	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)	102,536,089	104,441,037
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	95,611,122	95,687,443
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	204,160,443	206,080,450
	19	Revenue less expenses Subtract line 18 from line 12	130,637,243	180,298,655

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	8,989,400,274	9,941,648,726
	21	Total liabilities (Part X, line 26)	165,482,063	199,040,551
	22	Net assets or fund balances Subtract line 21 from line 20	8,823,918,211	9,742,608,175

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.

Sign Here

****** | 2013-06-17
Signature of officer | Date

GAYLA BUSH VICE PRESIDENT, FINANCE
Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ▶ ☐	Preparer's taxpayer identification number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4	PricewaterhouseCoopers LLP 2001 MARKET ST SUITE 1700 PHILADELPHIA, PA 19103		EIN ▶ Phone no ▶ (267) 330-3000

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

Part III **Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III . . . . ☑

1 Briefly describe the organization's mission

SEE SCHEDULE O FOR FURTHER DETAILS

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 organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations and section 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 $ 170,746,864 including grants of $ 5,951,970) (Revenue $ 667,944)

SEE SCHEDULE O FOR FURTHER DETAILS

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses**▶$ 170,746,864

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* (see instructions)?	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, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which 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		No
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, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b	Yes	
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e		No
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b		No
13	Is the organization a school 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 United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b	Yes	
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 U S ? *If "Yes," complete Schedule F, Part II and IV*	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 U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions 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 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b		

Part IV **Checklist of Required Schedules** *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States 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 of grants and other assistance to individuals in the United States 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, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *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 line 25*	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
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		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
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	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *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, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	28c	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
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 sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33	Yes	
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	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a	Yes	
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b	Yes	
36	**Section 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% 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
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a 239			
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b 0			
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 1,998			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		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 or securities account)?		4a		No
b	If "Yes," enter the name of the foreign country ▶ See instructions for 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 line 5a or 5b, did the organization file Form 8886-T?		5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and 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 receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		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		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization 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	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
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			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state		13a		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the aggregate amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		14a		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*		14b		

Part VI **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a 7			
b	Enter the number of voting members included in line 1a, above, who are independent	1b 0			
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 governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders?		6		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		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	
9	Is there any officer, director, 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		9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
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	
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)			
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," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take 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 made 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 made 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 ▶

GAYLA BUSH HERSHEY TRUST CO
PO BOX 445
HERSHEY,PA 17033
(717) 520-1100

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

Check if Schedule O contains a response to any question in this Part VII . . . . ☑

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

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- 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 neither the organization nor any related organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(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			
See Additional Data Table										

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
See Additional Data Table										

1b	Sub-Total . . . . ▶			
c	Total from continuation sheets to Part VII, Section A . . . . ▶			
d	Total (add lines 1b and 1c) . . . . ▶	3,157,869	3,554,452	1,552,112

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶49

			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	Yes	
4	For any individual listed on line 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 or individual 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 Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
High Construction Company 1853 William Penn Way LANCASTER, PA 17601	construction	2,100,467
Bowser Construction Company PO Box 7105 LANCASTER, PA 17604	construction	2,084,045
Pyramid Construction Services 840 N Front Street MAYTOWN, PA 17550	CONSTRUCTION	1,921,997
SILCHESTER 780 THIRD AVENUE NEW YORK, NY 10017	INVESTMENT MGMT	1,520,653
PEPPER HAMILTON LLP 3000 TWO LOGAN SQUARE18TH ARCH S PHILADELPHIA, PA 191032799	LEGAL	1,774,521

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶106

Part VIII Statement of Revenue

Section	Line	Description			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	30,325				
	g	Noncash contributions included in lines 1a-1f $ 5,904						
	h	**Total.** Add lines 1a-1f ▶			30,325			
Program Service Revenue			Business Code					
	2a	AG MILK AND CROP SALES	900099		530,104	530,104		
	b	MEMORABILIA SALES TO PUBLIC	900099		4,447	4,447		
	c	CONCESSION STAND SALES	900099		50,428	50,428		
	d	UTILITIES REBATES	900099		32,073	32,073		
	e	FOOD REBATES	900099		13,099	13,099		
	f	All other program service revenue			37,793	37,793		
	g	**Total.** Add lines 2a–2f ▶			667,944			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts) ▶			189,715,072		791,054	188,924,018
	4	Income from investment of tax-exempt bond proceeds ▶			0			
	5	Royalties ▶			0			
			(i) Real	(ii) Personal				
	6a	Gross rents	6,671,921					
	b	Less rental expenses	5,470,172					
	c	Rental income or (loss)	1,201,749					
	d	Net rental income or (loss) ▶			1,201,749		-744,542	1,946,291
			(i) Securities	(ii) Other				
	7a	Gross amount from sales of assets other than inventory	716,637,366	126,693				
	b	Less cost or other basis and sales expenses	521,974,005	26,039				
	c	Gain or (loss)	194,663,361	100,654				
	d	Net gain or (loss) ▶			194,764,015			194,764,015
	8a	Gross income from fundraising events (not including $ ______ of contributions reported on line 1c) See Part IV, line 18	a					
	b	Less direct expenses	b					
	c	Net income or (loss) from fundraising events ▶			0			
	9a	Gross income from gaming activities See Part IV, line 19	a					
	b	Less direct expenses	b					
	c	Net income or (loss) from gaming activities ▶			0			
	10a	Gross sales of inventory, less returns and allowances	a					
	b	Less cost of goods sold	b					
	c	Net income or (loss) from sales of inventory ▶			0			
		Miscellaneous Revenue	Business Code					
	11a							
	b							
	c							
	d	All other revenue						
	e	**Total.** Add lines 11a–11d ▶			0			
	12	**Total revenue.** See Instructions ▶			386,379,105	667,944	46,512	385,634,324

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)
Check if Schedule O contains a response to any question in this Part IX . . . . ☑

	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 United States See Part IV, line 21	0			
2	Grants and other assistance to individuals in the United States See Part IV, line 22	5,951,970	5,951,970		
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	3,032,444	1,672,494	1,359,950	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	64,748,721	61,761,929	2,986,792	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	14,161,287	13,311,610	849,677	
9	Other employee benefits	16,753,733	15,748,509	1,005,224	
10	Payroll taxes	5,744,852	5,400,161	344,691	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	1,014,877		1,014,877	
c	Accounting	98,335		98,335	
d	Lobbying	0			
e	Professional fundraising *See Part IV, line 17* . .	0			
f	Investment management fees	19,510,160		19,510,160	
g	Other	3,274,900	3,274,900		
12	Advertising and promotion	1,504,092	788,729	715,363	
13	Office expenses	1,713,360	1,575,236	138,124	
14	Information technology	853,419	823,716	29,703	
15	Royalties . .	0			
16	Occupancy	5,858,459	5,448,367	410,092	
17	Travel	1,137,574	1,082,036	55,538	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	119,276	101,990	17,286	
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	36,807,558	34,231,029	2,576,529	
23	Insurance	2,714,490	1,177,663	1,536,827	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	TRUST EXPENSES	1,335,142		1,335,142	
b	FOOD, CLOTHING & HOUSEHOLD	6,223,590	6,080,605	142,985	
c	SUPPLIES	1,849,989	1,810,651	39,338	
d	CONTRACTED SERVICES/CONSULTING	5,147,267	4,227,388	919,879	
e					
f	All other expenses	6,524,955	6,277,881	247,074	
25	**Total functional expenses.** Add lines 1 through 24f	206,080,450	170,746,864	35,333,586	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) 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

Section	Line	Description		(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		16,995	1	25,995
	2	Savings and temporary cash investments		127,248,820	2	89,603,810
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		47,139,599	4	16,279,280
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees 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		0	7	0
	8	Inventories for sale or use		1,252,511	8	1,301,717
	9	Prepaid expenses and deferred charges		911,750	9	1,350,776
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 1,147,180,381			
	b	Less accumulated depreciation	10b 426,621,382	724,751,142	10c	720,558,999
	11	Investments—publicly traded securities		1,995,212,953	11	1,846,367,624
	12	Investments—other securities See Part IV, line 11		6,092,866,504	12	7,266,160,525
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		0	15	0
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		8,989,400,274	16	9,941,648,726
Liabilities	17	Accounts payable and accrued expenses		165,482,063	17	199,040,551
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		0	21	0
	22	Payables 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		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		0	25	0
	26	**Total liabilities.** Add lines 17 through 25		165,482,063	26	199,040,551
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		1,025,244,030	27	996,559,549
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		7,798,674,181	29	8,746,048,626
		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		8,823,918,211	33	9,742,608,175
	34	Total liabilities and net assets/fund balances		8,989,400,274	34	9,941,648,726

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	386,379,105
2	Total expenses (must equal Part IX, column (A), line 25)	2	206,080,450
3	Revenue less expenses Subtract line 2 from line 1	3	180,298,655
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	8,823,918,211
5	Other changes in net assets or fund balances (explain in Schedule O)	5	738,391,309
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	9,742,608,175

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other ______________ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
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 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separated basis			
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		
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such 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

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Employer identification number
23-1353340

Part I **Reason for Public Charity Status** (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches **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).**

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 33 1/3% 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 33 1/3% 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).**

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 supported organization(s)

(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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public Support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
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** ▶☐

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f)) | 14 |

15 Public Support Percentage for 2010 Schedule A, Part II, line 14 | 15 |

16a **33 1/3% support test—2011.** 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% support test—2010.** 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—2011.** 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—2010.** 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 a 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 or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	**(a)** 2007	**(b)** 2008	**(c)** 2009	**(d)** 2010	**(e)** 2011	**(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 through 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 $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	**(a)** 2007	**(b)** 2008	**(c)** 2009	**(d)** 2010	**(e)** 2011	**(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 June 30, 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** ▶☐

Section C. Computation of Public Support Percentage

15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	**15**	
16 Public support percentage from 2010 Schedule A, Part III, line 15	**16**	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2011** (line 10c column (f) divided by line 13 column (f))	**17**	
18 Investment income percentage from **2010** Schedule A, Part III, line 17	**18**	

19a **33 1/3% support tests—2011.** 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% support tests—2010.** 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.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ Complete if the organization is described below.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes," to Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization	Employer identification number
MILTON HERSHEY SCHOOL AND SCHOOL TRUST	23-1353340

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV

2 Political expenditures ▶ $

3 Volunteer hours

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c) except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ $

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	**(a)** Filing Organization's Totals	**(b)** Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		

If the amount on line 1e, column (a) or (b) is:	**The lobbying nontaxable amount is:**
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

	(a)	(b)
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	**(a)** 2008	**(b)** 2009	**(c)** 2010	**(d)** 2011	**(e)** Total
2a Lobbying non-taxable amount	0	0	0		0
b Lobbying ceiling amount (150% of line 2a, column(e))					0
c Total lobbying expenditures	0	0	0		0
d Grassroots non-taxable amount	0	0	0		0
e Grassroots ceiling amount (150% of line 2d, column (e))					0
f Grassroots lobbying expenditures	0	0	0		0

Part II-B **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities? If "Yes," describe in Part IV			
j	Total lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

Part III-B **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".**

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) non-deductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i Also, complete this part for any additional information

Identifier	Return Reference	Explanation
FORM 990, SCHEDULE C, PART IV		Although not technically lobbying, the Milton Hershey School and School Trust paid $76,251 during the reporting period to a consultant to maintain contact with local legislators for zoning and transportation issues as well as for security services The Hershey Trust Company, a for-profit corporation wholly owned by the Milton Hershey School and School Trust, paid a consultant $61,088 during the reporting period for consulting on transportation issues Of this amount, $31,838 was for Pennsylvania lobbying services Hershey Entertainment & Resorts Company and The Hershey Company paid a consultant $100,739 during the reporting period for consulting on transportation issues, a portion of which was for Federal lobbying services Hershey Entertainment & Resorts Company, a for-profit corporation wholly owned by the Milton Hershey School and School Trust, had state lobbying expenses of $126,155 during the reporting period Their political action committee made disbursements of $6,236 during the reporting period The Hershey Company, a for-profit corporation, files quarterly lobbyist disclosure reports that detail the issues being lobbied and the dollar value of time dedicated to each reportable issue These reports are filed as follows United States House of Representatives (quarterly) ID # 3127490000 United States Senate (quarterly) ID # 18103-12 Pennsylvania Department of State (quarterly) P-00745, L-00972 Filed reports represent expenditures relating to both internal and external resources

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SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization
MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Employer identification number
23-1353340

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	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

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 for any other purpose conferring 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 a 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, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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 ▶ $ ________

(ii) Assets included in Form 990, Part X ▶ $ ________

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 ▶ $ ________

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

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

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 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 the arrangement 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	7,798,674,181	6,641,166,089	5,872,192,761	6,233,173,623	
b Contributions					
c Investment earnings or losses	947,374,445	1,157,508,092	768,973,328	-360,980,862	
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	8,746,048,626	7,798,674,181	6,641,166,089	5,872,192,761	

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

a Board designated or quasi-endowment ▶ 0 %

b Permanent endowment ▶ 100 000 %

c Term endowment ▶ 0 %

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		67,579,446		67,579,446
b Buildings	123,025,912	868,415,017	359,277,104	632,163,825
c Leasehold improvements				
d Equipment		88,160,007	67,344,279	20,815,728
e Other				
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				720,558,999

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	0	

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
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . ▶	

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	0

2. Fin 48 (ASC 740) Footnote 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 (ASC740)

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	386,379,105
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	206,080,450
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	180,298,655
4	Net unrealized gains (losses) on investments	4	774,626,548
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-36,235,239
9	Total adjustments (net) Add lines 4 - 8	9	738,391,309
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	918,689,964

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	1,165,807,824
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	774,626,548		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	4,802,171		
e	Add lines **2a** through **2d**			2e	779,428,719
3	Subtract line **2e** from line **1**			3	386,379,105
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			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	386,379,105

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

1	Total expenses and losses per audited financial statements			1	247,117,860
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d	36,235,239		
e	Add lines **2a** through **2d**			2e	36,235,239
3	Subtract line **2e** from line **1**			3	210,882,621
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			
b	Other (Describe in Part XIV)	4b	-4,802,171		
c	Add lines **4a** and **4b**			4c	-4,802,171
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	206,080,450

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 IV, 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 Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
SCHEDULE D, PART III, LINE 1A & 4		MAINTAINING COLLECTIONS OF ART, HISTORICAL TREASURES, OR OTHER SIMILAR ASSETS 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 THE DEPARTMENT OF SCHOOL HISTORY AND THE MHS HERITAGE CENTER AT KINDERHAUS PROVIDE FOR THE CARE AND MANAGEMENT OF THE HISTORICAL ASSETS OF THE MILTON HERSHEY SCHOOL COMMUNITY THE HISTORICAL ASSETS (COLLECTION) CONSIST OF ARCHIVAL RECORDS AND DOCUMENTS, THREE DIMENSIONAL OBJECTS, INTERPRETIVE EXHIBITS, AND HISTORICAL CAMPUS BUILDINGS WHICH HELP TO DOCUMENT THE LIVES AND VALUES OF MILTON AND CATHERINE HERSHEY AS FOUNDERS OF OUR SCHOOL, THE HISTORY AND TRADITIONS OF THE SCHOOL AS AN INSTITUTION, AND THE STORIES OF THE STUDENTS, STAFF, AND ALUMNI WHO MAKE UP THE SCHOOL COMMUNITY EXCLUDED FROM THIS MANDATE ARE LEGAL BOARD RECORDS, STUDENT RECORDS, AND ALUMNI RECORDS Schedule D, Part V, Line 4 Endowment Funds The endowment funds are to be used to fund the operations of the Milton Hershey School and School Trust The endowment funds and other investment assets of the Milton Hershey School Trust (the "Assets") are invested for the long term because the school is to exist in perpetuity per the desire of Milton Hershey as stated in the Deed of Trust The assets are invested to ensure that funds are available to meet current and future obligations of the school THE BOARD AND THE TRUSTEE CONTINUALLY REVIEW THE PERFORMANCE OF THE ASSETS THE BOARD ALSO PERIODICALLY REVIEWS THE PROCESS OF INVESTING THE ASSETS WITH THE ASSISTANCE OF THE TRUSTEE AND THIRD-PARTY INVESTMENT CONSULTANTS THEY HAVE A DISCIPLINED PROCESS TO REVIEW ASSET ALLOCATION, MANAGER SELECTION, AND OUTSIDE MANAGER FEES, AS WELL AS THE DETAILED INVESTMENT POLICY AND GUIDELINES SCHEDULE D, PART X LINE 2 FIN 48 FOOTNOTE TAX POSITIONS ARE RECOGNIZED OR DERECOGNIZED BASED ON A "MORE-LIKELY THAN-NOT" THRESHOLD FOR POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST'S ACCOUNTING POLICY FOR EVALUATING UNCERTAIN TAX POSITIONS IS THAT RECOGNIZED INCOME TAX POSITIONS ARE MEASURED AT THE LARGEST AMOUNT THAT IS GREATER THAN 50% LIKELY OF BEING REALIZED THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST DOES NOT BELIEVE THERE ARE ANY UNRECOGNIZED TAX BENEFITS OR LIABILITIES THAT SHOULD BE RECORDED Schedule D, Part XI, Line 8 RECONCILIATION OF CHANGE IN NET ASSETS FROM FORM 990 TO AUDITED FIN STMTS UNRECOGNIZED PENSION & POST RETIREMENT BENEFIT COST 36,235,239 SCHEDULE D, PART XII, LINE 2D RECONCILIATION OF REVENUE PER AUDITED FIN STMTS WITH REVENUE PER RETURN RENTAL EXPENSE (RECLASS) 5,470,172 PROGRAM SERVICE REVENUE (RECLASS) (667,944) Interest Income (reclass) (57) _________ 4,802,171 SCHEDULE D, PART XIII, LINE 2D RECONCILIATION OF EXPENSES PER AUDITED FIN STMTS WITH EXPENSES PER RETURN UNRECOGNIZED PENSION & POST RETIREMENT BENEFIT COST 36,235,239 SCHEDULE D, PART XIII, LINE 4B RECONCILIATION OF EXPENSES PER AUDITED FIN STMTS WITH EXPENSES PER RETURN RENTAL EXPENSE (RECLASS) (5,470,172) PROGRAM SERVICE REVENUE (RECLASS) 667,944 Interest Income (reclass) 57 _________ (4,802,171) SUPPLEMENTAL INFORMATION FORM 990, PARTS VIII AND IX DETAIL OF REVENUE AND EXPENSES PART VIII, STATEMENT OF REVENUE MILTON HERSHEY MILTON HERSHEY TOTAL LINE SCHOOL TRUST SCHOOL 1F CONTRIBUTIONS 30,325 - 30,325 2 PROGRAM SERVICE REV - 667,944 667,944 3 INVESTMENT INCOME 189,715,015 57 189,715,072 6 NET RENTAL INCOME 1,201,749 - 1,201,749 7(I) GAIN ON SALE-SECURITIES 194,663,361 - 194,663,361 7(II) GAIN ON SALE-OTHER 39,569 61,085 100,654 ___________ _________ ___________ 12 TOTAL REVENUE 385,650,019 729,086 386,379,105 PART IX, STATEMENT OF FUNCTIONAL EXPENSES MILTON HERSHEY MILTON HERSHEY TOTAL LINE SCHOOL TRUST SCHOOL 2 GRANTS TO INDIVIDUALS - 5,951,970 5,951,970 5 COMPENSATION OFFICERS 1,000 3,031,444 3,032,444 7 OTHER SALARIES & WAGES - 64,748,721 64,748,721 8 PENSION PLAN CONTRIBUTIONS - 14,161,287 14,161,287 9 OTHER EMPLOYEE BENEFITS - 16,753,733 16,753,733 10 PAYROLL TAXES - 5,744,852 5,744,852 11B LEGAL FEES - 1,014,877 1,014,877 11C ACCOUNTING FEES - 98,335 98,335 11F INVEST MGMT FEES 19,510,160 - 19,510,160 11G OTHER FEES FOR SERVICES - 3,274,900 3,274,900 12 ADVERTISING - 1,504,092 1,504,092 13 OFFICE EXPENSES - 1,713,360 1,713,360 14 INFORMATION TECHNOLOGY - 853,419 853,419 16 OCCUPANCY - 5,858,459 5,858,459 17 TRAVEL - 1,137,574 1,137,574 19 CONFERENCES - 119,276 119,276 22 DEPRECIATION - 36,807,558 36,807,558 23 INSURANCE - 2,714,490 2,714,490 24A TRUST EXPENSES (*) 1,335,142 - 1,335,142 24b FOOD/CLOTHES/HOUSE ITEMS - 6,223,590 6,223,590 24C SUPPLIES - 1,849,989 1,849,989 24D CONTRACTED SERV/CONSULTING - 5,147,267 5,147,267 24E ALL OTHER EXPENSES - 6,524,955 6,524,955 ___________ _________ ___________ 26 TOTAL FUNCTIONAL EXPENSES 20,846,302 185,234,148 206,080,450 (*) TRUST EXPENSES INCLUDE LEGAL, CONSULTING AND OTHER EXPENSES RELATED TO MANAGEMENT OF THE ENDOWMENT SUPPLEMENTAL INFORMATION FORM 990, PART X, LINE 27 UNRESTRICTED NET ASSETS MILTON HERSHEY MILTON HERSHEY TOTAL LINE SCHOOL TRUST SCHOOL CASH 0 25,995 25,995 SAVINGS & TEMP INVEST 48,726,488 0 48,726,488 INVEST PUBLICLY TRADED 340,762,536 0 340,762,536 INVEST OTHER 154,281,686 0 154,281,686 ACCOUNTS RECEIVABLE 10,225,816 97,367 10,323,183 INVENTORIES FOR SALE/USE 0 1,301,717 1,301,717 PREPAID/DEFERRED CHARGES 0 1,350,777 1,350,777 PROPERTY EQUIPMT, AT COST 967,010,491 88,160,007 1,055,170,498 LESS ACCUMULATED DEP (359,277,104) (67,344,278) (426,621,382) CURRENT LIABILITIES (6,882,461) (181,879,488) (188,761,949) _____________ _____________ _____________ NET UNRESTRICTED ASSETS 1,154,847,452 (158,287,903) 996,559,549 FORM 990, PART X BALANCE SHEET DETAIL PART X, LINE 11 PUBLICLY TRADED SECURITIES/U S GOVERNMENT OBLIGATIONS $ 286,260,715 FMV AGENCY BONDS 231,151,821 FMV CORPORATE BONDS 351,215,770 FMV COMMON STOCKS-OTHER 977,739,318 FMV _____________ TOTAL PART X, LINE 11 $1,846,367,624 PART X, LINE 12/SCHEDULE D, PART VII CLOSELY HELD EQUITY INTERESTS THE HERSHEY COMPANY - COMMON SHARES $ 897,719,997 FMV HERSHEY ENTERTAINMENT & RESORTS 269,600,000 FMV HERSHEY TRUST COMPANY 45,800,614 FMV THE HERSHEY CO - CLASS B SHARES 4,348,305,740 FMV _____________ SUB-TOTAL CLOSELY-HELD INTERESTS $5,561,426,351 PART X, LINE 12 (CONTINUED) OTHER FUNDS - OTHER $1,096,974,514 FMV REIT FUNDS 32,613,142 FMV ALTERNATIVE ASSETS-MARKETABLE 160,395,084 FMV ALTERNATIVE ASSETS-NON MARKETABLE 414,751,434 FMV _____________ SUB-TOTAL OTHER $1,704,734,174 _____________ TOTAL PART X, LINE 12 $7,266,160,525

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SCHEDULE E
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Schools

►Complete if the organization answered "Yes" to Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.
► Attach to Form 990 or Form 990-EZ.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Employer identification number
23-1353340

Part I

			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 If you need more space use Part II	3	Yes	
4	Does the organization maintain the following?			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	4a	Yes	
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, use Part II			
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, use Part II			
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 line 6a or line 6b, explain on Part II			
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," explain on Part II	7	Yes	

Part II Supplemental Information

Complete this part to provide the explanations required by Part I, lines 3, 4d, 5h, 6b, and 7, as applicable Also complete this part to provide any other additional information (see instructions)

Identifier	Return Reference	Explanation
SCHEDULE E, LINE 3		The Milton Hershey School annually publishes its non-discrimination policy in newspapers of its general community The current advertisement was published in the Philadelphia Inquirer, the Patriot News, the Wall Street Journal and the Pittsburgh Post-Gazette The advertisement reads as follows The Milton Hershey School admits students of any race, color, national and ethnic origin, religion, gender, disability and any other status protected under federal or Pennsylvania law, to all the rights, privileges, programs and activities generally accorded or made available to students at the school The Milton Hershey School does not discriminate on the basis of race, color, national and ethnic origin, religion, gender, disability and any other status protected under federal or Pennsylvania law in the administration of its educational policies, admissions policies, scholarship and loan programs, and athletic and other school-administered programs

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SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Employer identification number
23-1353340

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** 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 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States

3 Activites per Region (Use Part V if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region or independent contractors	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region/investments in region
Europe (Including Iceland and Greenland)			Investments		161,734,278
Central America and the Caribbean			Investments		90,693,025
North America			Investments		797,936
Sub-Saharan Africa			Investments		363,390
3a Sub-total					253,588,629
b Total from continuation sheets to Part I					
c **Totals** (add lines 3a and 3b)					253,588,629

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Check this box if no one recipient received more than $5,000 . . . . ▶ ☐
Use Part V if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . . . ▶

3 Enter total number of other organizations or entities . . . . ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Use Part V if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)

Part IV Foreign Forms

		Yes	No
1	Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926 (see instructions for Form 926)*	☑ Yes	☐ No
2	Did the organization have an interest in a foreign trust during the tax year? *If " Yes," the organization may be required to file Form 3520 and/or Form 3520-A. (see instructions for Forms 3520 and 3520-A)*	☐ Yes	☑ No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see instructions for Form 5471)*	☐ Yes	☑ No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see instructions for Form 8621)*	☑ Yes	☐ No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see instructions for Form 8865)*	☑ Yes	☐ No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see instructions for Form 5713).*	☐ Yes	☑ No

Additional Data

Software ID:
Software Version:
EIN: 23-1353340
Name: MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Part V **Supplemental Information**

Complete this part to provide the information (see instructions) required in Part I, line 2, and any additional information.

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Employer identification number
23-1353340

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" to 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 (Form 990) if additional space is needed . . . . ▶ ☐

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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 listed in the line 1 table . . . . ▶

3 Enter total number of other organizations listed in the line 1 table . . . . ▶

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to 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
(1) CONTINUING EDUCATION SCHOLARSHIPS	508	5,951,970			

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

Identifier	Return Reference	Explanation
SCHEDULE I, PART I, QUESTION 2	MONITORING THE USE OF GRANT FUNDS	THE CONTINUING EDUCATION SCHOLARSHIP (CES) HAS BEEN ESTABLISHED TO PROVIDE SCHOLARSHIP ASSISTANCE TO ELIGIBLE MILTON HERSHEY SCHOOL GRADUATES PURSUING FULL-TIME STUDY TOWARDS AN ACCREDITED, CLASSROOM-BASED UNDERGRADUATE PROGRAM OF AT LEAST NINE MONTHS IN LENGTH THAT IS INTENDED TO LEAD TO A DIPLOMA, CERTIFICATE OR DEGREE FROM A U S INSTITUTION THE CES PROGRAM SUPPLEMENTS A STUDENT'S POST-SECONDARY COSTS BY HELPING TO PAY FOR STANDARD FULL-TIME TUITION, FEES, ROOM AND BOARD COSTS (AND POSSIBLY A BASIC COLLEGE HEALTH INSURANCE PLAN) NOT COVERED BY OTHER FORMS OF GIFT AID AT ACCREDITED U S SCHOOLS THE MILTON HERSHEY SCHOOL, THROUGH CES OFFICE STAFF, UTILIZES A COMBINATION OF THE FOLLOWING "SOURCE DOCUMENTS" TO VALIDATE SCHOLARSHIP ELIGIBILITY AND COLLEGE COST & FINANCIAL AID DATA COLLEGE ACADEMIC TRANSCRIPTS/GRADES, STANDARDIZED COST AND AID ASSESSMENT FORM THAT IS COMPLETED BY THE INSTITUTION'S FINANCIAL AID OFFICE (RELEASE FORM), COLLEGE BILLS, SIGNED COPIES OF LEASES/RENTAL AGREEMENTS, RECEIPTS, DEGREE COMPLETION EVALUATIONS, AND OTHER DOCUMENTATION AS NEEDED SCHEDULE I, PART III GRANTS & ASSISTANCE TO INDIVIDUALS IN THE U S THE MILTON HERSHEY SCHOOL MAINTAINS A CONTINUING EDUCATION SCHOLARSHIP PROGRAM FOR STUDENTS WHO GRADUATED PRIOR TO AND INCLUDING THE SPRING OF 2004, UNDER WHICH GRANTS ARE MADE TO STUDENTS TO PURSUE POSTSECONDARY EDUCATION THE GRANTS UNDER THIS PROGRAM WILL COVER ALL ELIGIBLE CONTINUING EDUCATION EXPENSES THAT EXCEED GRANTS AID FROM ALL SOURCES AND A $2,000 ANNUAL CONTRIBUTION BY THE STUDENT THE PAYMENT OF THE FULL AMOUNT OF THESE GRANTS IS DEPENDENT UPON THE STUDENT'S ANNUAL ACADEMIC PERFORMANCE AND CERTAIN OTHER CONDITIONS A LIABILITY IS ESTABLISHED FOR THE ESTIMATED AMOUNTS TO BE PAID UPON GRANTING OF THE SCHOLARSHIP SIGNIFICANT ASSUMPTIONS IN DETERMINING THE LIABILITY FOR THIS PROGRAM INCLUDE PARTICIPATION RATES, DISCOUNT RATES, AND COLLEGE TUITION INFLATION RATES, AND ARE BASED ON HISTORICAL TRENDS OF THE PROGRAM THE MILTON HERSHEY SCHOOL MAINTAINS A CONTINUING EDUCATION SCHOLARSHIP PROGRAM FOR STUDENTS GRADUATING AFTER THE SPRING OF 2004, WHERE SCHOLARSHIP CREDITS ARE EARNED GRADUALLY EACH YEAR OF HIGH SCHOOL THE MAXIMUM AWARD FOR THE GRADUATING CLASS OF 2012 WILL BE $80,000 THE MAXIMUM AWARD MAY BE INCREASED EVERY YEAR TO MATCH THE AVERAGE U S COLLEGE INFLATION RATE THE EARNING OF THE SCHOLARSHIP AWARD IS DEPENDENT ON THE STUDENTS' ANNUAL ACADEMIC PERFORMANCE AND CERTAIN OTHER CONDITIONS UPON INCEPTION OF THIS PROGRAM, CURRENT HIGH SCHOOL STUDENTS WERE AWARDED THE SCHOLARSHIP CREDIT FOR GRADES PREVIOUSLY COMPLETED STUDENTS WHO HAD GRADUATED IN OR PRIOR TO THE SPRING OF 2004 WERE NOT AFFECTED BY THE NEW POLICY SIGNIFICANT ASSUMPTIONS IN DETERMINING THE LIABILITY FOR THIS PROGRAM INCLUDE PARTICIPATION AND DISCOUNT RATES THE EXPENSE RECOGNIZED FOR THE CONTINUING EDUCATION PROGRAMS DESCRIBED ABOVE WAS $5,951,970 AND $6,013,232 DURING THE YEARS ENDED JULY 31, 2012 AND 2011, RESPECTIVELY, AND IS INCLUDED IN CONTINUING EDUCATION PROGRAMS ON THE STATEMENT OF ACTIVITIES OF THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST FINANCIAL STATEMENTS THE AMOUNT REPORTED COVERS THE 508 STUDENTS CURRENTLY RECEIVING CONTINUING EDUCATION SCHOLARSHIPS AS WELL AS THE 887 STUDENTS EARNING CREDITS TOWARD THEIR FUTURE SCHOLARSHIPS SCHEDULE I, PART III, COLUMN (C) THE AMOUNT REPORTED IN COLUMN (C) "AMOUNT OF CASH GRANT" CONSISTS OF $5,161,486 OF CASH GRANTS PAID DURING THE YEAR AND $790,484 WHICH REPRESENTS AN INCREASE IN THE TUITION ACCRUAL FOR GRANTS TO BE PAID IN FUTURE YEARS THE TOTAL OF THESE AMOUNTS IS $5,951,970

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Employer identification number
23-1353340

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 any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision 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 with respect to the filing organization or a related organization			
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? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	**4c**		No
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
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**		No
b	Any related organization? If "Yes," to line 5a or 5b, describe in Part III	**5b**		No
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? If "Yes," to line 6a or 6b, describe in Part III	**6b**		No
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
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(A) Name		**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other 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 reportable compensation				
See Additional Data Table								

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
SCHEDULE J, PART I, LINE 1A		TRAVEL FOR COMPANIONS Spouse/Dependent Travel Spousal travel costs to attend the retreat and/or graduation are treated as taxable income to the board of managers member by Hershey Trust Company Dependent travel costs to attend graduation are treated as taxable income to the board of managers member by Hershey Trust Company The Joint Board Travel Reimbursement Policy of Milton Hershey School AND HERSHEY TRUST COMPANY states "Spouses may be invited to Board retreats and graduation at the discretion of the School or Trust Company Children are not invited to attend regular Board meetings or the retreat (If children accompany the Board member, all charges related to the children are the responsibility of the Board member) However, children may be invited to attend the graduation weekend events and celebration For this occasion, transportation, lodging, and meals for the children, as well as for spouses, will be covered and reported as taxable income to the Board member " SCHEDULE J, PART I, LINE 1A Tax Indemnification and gross-up payments Certain officers of Milton Hershey School received minor gross-up payments SCHEDULE J, PART I, LINE 1A Housing Allowance or Residence for Personal Use The President and the Senior Vice President/Chief Operating Officer of Milton Hershey School are provided with residences on campus for both public and personal use The Presidents employment contract includes provisions which require hosting both internal and external events on behalf of the School at the provided home The Senior Vice President/Chief Operating Officer is required to live on campus as a condition of his employment to provide 24/7 residential and student support, as well as hosting internal campus events The value of these benefits (fair market value of rental) plus operating costs are nontaxable benefits Certain Milton Hershey School executives, who serve on the Schools Crisis Response Command and provide leadership to both School operations and within the community of Hershey, are asked to live within 5 miles of the School and are provided with a housing allowance of $15,457 per year, which is included in reportable compensation and is taxable to the employee Health Club Dues All employees of the Milton Hershey School are eligible for reimbursement of health club dues not to exceed $120 per annum for A single membership and $240 for a family membership SCHEDULE J Reportable Compensation Mr and Mrs Hershey organized the Milton Hershey School ("the School") in the form of a trust ("School Trust") created under an original 1909 Deed of Trust that, as amended, still governs the operation of the School The Deed of Trust sets forth the respective powers and authorities of the trustee and Managers of the School, names the Hershey Trust Company, a state-chartered trust company, as trustee for compensation of no more than $1,000 per year and provides for the trustee to appoint the individual Managers of the School from its own Board of Directors The Managers subsequently incorporated That corporation, acting as manager under the deed of trust, together with the School Trust are the components of the integrated tax-exempt organization, the Milton Hershey School and School Trust (EIN 23-1353340) Mr Hershey created the same structure for his other charity, The M S Hershey Foundation (EIN 23-6242734) As a result of the structure created by Mr Hershey, Hershey Trust Company (A) serves as trustee for the Milton Hershey School & School Trust (administration of which trust includes responsibility for (1) The Hershey Company, a Fortune 500 company, (2) Hershey Entertainment & Resorts Company, a $269 6 million resort and entertainment company, (3) an actively managed portfolio of approximately $3 7 billion in securities and other investments, and (4) approximately 10,000 acres of real estate), and (B) serves as trustee for the $34 4 million M S Hershey Foundation Trust The compensation of Board members serving on the boards of any of the related for-profit entities (Hershey Trust Company, Hershey Entertainment & Resorts Company and The Hershey Company) is commensurate with their responsibilities with respect to the relevant for-profit entity The following information details the compensation arrangements of the Board of Managers who are compensated by related for-profit entities None of the compensation was paid directly by Milton Hershey School and School Trust (EIN 23-1353340) Barbara M Barrett Compensation reported consists only of director fees received from a related for-profit company, Hershey Trust Company (EIN 23-0692150) Ambassador Barrett retired from the Hershey Trust Company and Milton Hershey School boards in December 2011 Robert F Cavanaugh Compensation reported consists only of director fees received from related for-profit companies, Hershey Trust Company (EIN 23-0692150) and The Hershey Company (EIN 23-0691590) Raymond L Gover Compensation reported consists only of director fees received from a related for-profit company, Hershey Trust Company (EIN 23-0692150) Mr Gover retired in June 2011 Robert C Heist Mr Robert C Heist joined the Hershey Trust Company and Milton Hershey School boards in February 2011 Compensation reported consists only of director fees received from a related for-profit company, Hershey Trust Company (EIN 23-0692150) James M Mead Compensation reported consists only of director fees received from related for-profit companies, Hershey Trust Company (EIN 23-0692150) and The Hershey Company (EIN 23-0691590) Mr Mead serves as President of Hershey Trust Company, however, he is not compensated for this position James E Nevels Compensation reported consists only of director fees received from related for-profit companies, Hershey Trust Company (EIN 23-0692150) and The Hershey Company (EIN 23-0691590) This report also includes approximately $154,000 of payment of compensation reported on the prior year's Form 990 This compensation, received in 2011, was earned in 2009, and was previously reported as deferred compensation Velma A Redmond Compensation reported consists only of director fees received from a related for-profit company, Hershey Trust Company (EIN 23-0692150) Joseph M Senser Compensation reported consists only of director fees received from a related for-profit company, Hershey Trust Company (EIN 23-0692150) James M Sheehan, Esq Mr Sheehan served as General Counsel of Hershey Trust Company (EIN 23-0692150), a for-profit related corporation and as the Vice President, Legal Affairs & External Relations of Milton Hershey School (EIN 23-1353340) until June 2010 In August 2010, Mr Sheehan joined the boards of Hershey Trust Company and Milton Hershey School Compensation reported includes director fees received from the related for-profit company, Hershey Trust Company Richard Zilmer Lt General Richard Zilmer joined the Hershey Trust Company and Milton Hershey School boards in February 2011 Compensation reported includes director fees received from a related for-profit company, Hershey Trust Company (EIN 23-0692150) LeRoy S Zimmerman Compensation reported consists only of director fees received from related for-profit companies, Hershey Trust Company (EIN 23-0692150), The Hershey Company (EIN 23-0691590) and Hershey Entertainment & Resorts Company (EIN 23-0691815) including amounts that were earned over the prior years of 2007 - 2010 and that were reported as deferred compensation on the Forms 990 for those prior years Mr Zimmerman's reportable compensation from The Hershey Company was approximately $1 02 million, of which approximately $992,000 was the payment of compensation in 2011 that had been earned over the period 2007 - 2010 As noted, this earned compensation was previously reported in prior years as deferred compensation on the Forms 990 Mr Zimmerman's compensation from Hershey Entertainment & Resorts Company and Hershey Trust Company was $129,000 and approximately $138,000 respectively Mr Zimmerman retired from the Milton Hershey School, Hershey Trust Company and Hershey Entertainment & Resorts boards in December 2011 He retired from The Hershey Company board in April 2011 The following information details the compensation arrangements of certain officers and key employees of the Milton Hershey School and School Trust They are compensated by related for-profit entities Their compensation is determined by independent compensation consultants This process is based on position comparables taking into account responsibilities and duties, authority, and objectives None of their compensation, employee benefit contributions or non-taxable benefits was paid directly by the Milton Hershey School and School Trust during the reporting period Gayla M Bush Ms Bush served as the Treasurer of Hershey Trust Company and Milton Hershey School and School Trust until February 2011 She also serves as Vice President, Finance of Hershey Trust Compa

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 23-1353340
Name: MILTON HERSHEY SCHOOL AND SCHOOL TRUST

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			(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				
ROBERT F CAVANAUGH	(i)							
	(ii)	217,083			120,000	2,367	339,450	
JAMES M MEAD	(i)							
	(ii)	175,824		23	81,099	2,367	259,313	
JAMES E NEVELS	(i)							
	(ii)	314,115		153,898	120,000	2,367	590,380	153,898
LEROY S ZIMMERMAN	(i)							
	(ii)	256,756	40,000	992,460	39,231	17,442	1,345,889	766,726
ELLIOTT H ROBINSON	(i)	196,462		28,938	49,869	20,938	296,207	
	(ii)							
JOAN K SINGLETON	(i)	189,712		31,154	44,565	21,675	287,106	
	(ii)							
PETER G GURT	(i)	235,006		12,364	48,591	57,113	353,074	
	(ii)							
ANTHONY J COLISTRA ED D	(i)	256,192	76,500	49,356	122,153	70,741	574,942	
	(ii)					9,858	9,858	
GAYLA M BUSH	(i)							
	(ii)	164,005	69,651	2,293	35,168	9,094	280,211	
MARY LOUISE PORTER ESQ	(i)	199,075		1,011	29,952	26,849	256,887	
	(ii)		116,000				116,000	
WILLIAM DAVIES	(i)							
	(ii)	243,298	62,809	1,387	36,750	20,075	364,319	
ROBERT J CROBAK	(i)	148,543		1,503	22,937	21,353	194,336	
	(ii)							
CONSTANCE M MCNAMARA-JEFFREY	(i)	150,650	2,500	183	20,227	21,821	195,381	
	(ii)							
ROBERT L FEHRS	(i)	186,281		25,301	48,461	20,141	280,184	
	(ii)							
ANNETTE K COLE GILL	(i)	167,500		8,026	39,644	19,373	234,543	
	(ii)							
BETH J SHAW	(i)	181,088		364	27,343	18,941	227,736	
	(ii)							
MICHAEL D WELLER	(i)	168,647		957	45,276	14,689	229,569	
	(ii)							
ALPHONSE J CARBONARA	(i)	170,014		1,795	25,903	14,459	212,171	
	(ii)							

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			(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				
RAYMOND GOVER	(i)							
	(ii)	51,875				2,367	54,242	
TIMOTHY C FAKE	(i)	138,144		159	18,137	7,162	163,602	
	(ii)							
ROBERT J KEMMERY	(i)	124,533		583	18,937	13,164	157,217	
	(ii)							
JOHN J OSMOLINSKI	(i)	138,274		711	21,130	19,639	179,754	
	(ii)							
STEPHEN MARK SEYMOUR	(i)	136,853		158	18,092	19,233	174,336	
	(ii)							
ERICA M WEILER-TIMMONS	(i)	128,241		91	14,891	23,884	167,107	
	(ii)							

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Employer identification number
23-1353340

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

Complete if the organization 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.

Complete if the organization 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.

Complete if the organization 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.**
Complete if the organization 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
(1) HERSHEY ENTERTAINMENT RESORTS CO	COMMON DIRECTORS	508,943	PAYMENT OF RENT TO MHS&ST		No
(2) HERSHEY TRUST COMPANY	COMMON DIRECTORS	206,509	PAYMENT OF RENT TO MHS&ST		No
(3) HERSHEY ENTERTAINMENT RESORTS CO	COMMON DIRECTORS	685,594	REIMBUR PAID FOR EXPENSES		No
(4) HERSHEY ENTERTAINMENT RESORTS CO	COMMON DIRECTORS	304,502	SEE PART V		No

Part V **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation
SCHEDULE L, PART IV, COLUMN (B)		SEE SCHEDULE J, PART III FOR A DESCRIPTION OF THE COMMON DIRECTOR RELATIONSHIPS SCHEDULE L, PART IV, ITEM 4 HERSHEY ENTERTAINMENT & RESORTS CO PROVIDED HERSHEYPARK AND GIANT CENTER TICKETS AND OTHER BENEFITS TO MILTON HERSHEY SCHOOL STUDENTS AT NO COST THE VALUE OF THESE BENEFITS WAS $304,502

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Employer identification number
23-1353340

Identifier	Return Reference	Explanation
FORM 990, PART I, LINE 1 & FORM 990, PART III, LINE 1	MILTON HERSHEY SCHOOL & SCHOOL TRUST MISSION	UNABLE TO HAVE CHILDREN OF THEIR OWN, MILTON AND CATHERINE HERSHEY SIGNED THE DEED OF TRUST ESTABLISHING MILTON HERSHEY SCHOOL ("THE SCHOOL") IN 1909 FOR MORE THAN 100 YEARS THE MISSION OF THE SCHOOL HAS REMAINED THE SAME - TO PROVIDE A NURTURING HOME AND SCHOOL TO CHILDREN IN NEED TODAY, THE SCHOOL SERVES ABOUT 1,866 STUDENTS FROM PRE-K TO 12TH GRADE, WHO COME FROM FAMILIES IN SOCIAL AND FINANCIAL NEED THE SCHOOL PROVIDES A FAMILY-LIKE COMMUNITY WHICH HOLISTICALLY SUPPORTS EACH STUDENT MILTON HERSHEY SCHOOL AND SCHOOL TRUST IS UNLIKE ANY OTHER ORGANIZATION IT MUST OPERATE UNDER THE TERMS OF THE DEED OF TRUST AND PROVIDES A UNIQUE BREADTH OF SERVICES INCLUDING EDUCATION AND GUIDANCE, BOARDING, LODGING, AND CLOTHING, AS WELL AS HEALTH SERVICES, RECREATION AND SOCIAL LIFE ACTIVITIES TO ITS STUDENTS HOUSING, FOOD, CLOTHING, DENTAL AND MEDICAL CARE ARE PROVIDED TO ALL OF THE CHILDREN SERVED, AT ABSOLUTELY NO FINANCIAL COST TO THE CHILDREN OR THEIR FAMILIES NO TUITION IS CHARGED, AND FAMILIES ARE NOT SUBJECTED TO ANY FEES STUDENTS LIVE IN ABOUT 160 STUDENT HOMES WITH 10-12 STUDENTS OF SIMILAR AGES AND THE SAME GENDER, PRIOR TO THEIR SENIOR YEAR A MARRIED HOUSEPARENT COUPLE LIVES IN EACH HOME, AND ACTS AS SURROGATE PARENTS TO THE STUDENTS, PROVIDING SUPERVISION, COMFORT AND COUNSEL IN THEIR SENIOR YEAR, THE SCHOOL STUDENTS MOVE IN TO TRANSITIONAL LIVING APARTMENTS AND LIVE TOGETHER IN BUILDINGS WHICH HOUSE SEVERAL TWO-BEDROOM APARTMENTS THEY ARE RESPONSIBLE FOR MANAGING THEIR MONEY, COOKING SOME OF THEIR OWN MEALS, AND BUDGETING THEIR TIME THE PROGRAM WAS IMPLEMENTED TO BETTER PREPARE STUDENTS FOR LIFE AFTER GRADUATION THE SCHOOL CARES FOR ITS STUDENTS 24-HOURS A DAY, AND OPERATES YEAR-ROUND, INCLUDING HOLIDAYS AND DURING THE SUMMER BECAUSE THE SCHOOL STRIVES TO PREPARE STUDENTS FOR A SUCCESSFUL FUTURE, EVERY HIGH SCHOOL STUDENT CAN EARN APPROXIMATELY $80,000 TO USE FOR POSTSECONDARY EDUCATION MILTON HERSHEY SCHOOL AND SCHOOL TRUST IS AN INTEGRATED TAX-EXEMPT ORGANIZATION COMPOSED OF THE NOT-FOR-PROFIT CORPORATION, ACTING AS MANAGER UNDER THE DEED OF TRUST, AND THE TRUST ITSELF THIS INFORMATIONAL RETURN IS REQUIRED TO INCLUDE THE EXPENSES OF THE ORGANIZATION AS A WHOLE, WITH DETAIL AS REQUIRED BY THE FORM INSTRUCTIONS AS A RESULT, THIS RETURN INCLUDES ALL EXPENSES OF SERVING THE STUDENTS ENROLLED IN THE SCHOOL AND THE COSTS OF ADMINISTERING THE INVESTMENTS HELD IN TRUST

Identifier	Return Reference	Explanation
FORM 990, PART III	PROGRAM SERVICE ACCOMPLISHMENTS	THE SCHOOL PROVIDES FOR THE NEEDS OF THE CHILDREN WHILE THEY RESIDE ON CAMPUS THE PROVISION OF THE SCHOOL INCLUDES BUT IS NOT LIMITED TO THE FOLLOWING MILTON HERSHEY SCHOOL AND SCHOOL TRUST PROVIDES FOR THE EDUCATION, PHYSICAL, SOCIAL, AND PSYCHOLOGICAL NEEDS OF ITS STUDENTS THE SCHOOL HAS A RIGOROUS ACADEMIC PROGRAM WHICH HAS RECEIVED MEASURABLE RESULTS ALTHOUGH STUDENTS OFTEN COME TO THE SCHOOL WITH KNOWLEDGE FAR BELOW THEIR GRADE-LEVEL, THE DEDICATED STAFF HELP BRIDGE THAT KNOWLEDGE GAP STUDENTS PERFORM QUITE WELL ON THE STATE STANDARDIZED TESTS, AND EVEN OUTPERFORM STUDENTS FROM SOME OF THE TOP SCHOOL DISTRICTS IN THE STATE IN SOME SUBJECT AREAS IN ADDITION TO ACADEMICS, THE SCHOOL STRESSES CAREER TECHNICAL EDUCATION, SO THAT EACH STUDENT GRADUATES EQUIPPED TO ENTER THE WORLD OF WORK ABOUT 97 PERCENT OF 12TH GRADERS COMPLETED AT LEAST ONE STATE OR NATIONAL CERTIFICATION EXAM IN THEIR CAREER/TECHNICAL AREA THE SCHOOL OPERATES YEAR-ROUND, WITH MORE THAN 70 PERCENT OF ITS STUDENTS ATTENDING DURING ONE OR MORE OF THE BREAKS OR SUMMER WEEKS, AND APPROXIMATELY 350 STUDENTS STAYING ON CAMPUS EVEN DURING HOLIDAY BREAKS A VARIETY OF PROGRAMS ARE OFFERED THROUGHOUT THE SUMMER, PROVIDING ACADEMIC AND CULTURAL ENRICHMENT FOR THE CHILDREN STUDENTS LIVE IN STUDENT HOMES WITH 10 TO 12 CHILDREN OF SIMILAR AGES AND THE SAME GENDER THEY ARE PROVIDED NUTRITIOUS MEALS AND SNACKS DURING THE PERIOD COVERED BY THIS REPORT, THE SCHOOL'S FOOD SERVICES PROVIDED AN ESTIMATED 2 5 MILLION MEALS, USING 61,000 GALLONS OF MILK, 43,000 POUNDS OF GROUND BEEF, 29,000 DOZEN EGGS, AND 14,000 POUNDS OF AMERICAN CHEESE IN ADDITION, EACH STUDENT RECEIVES A COMPLETE WARDROBE, INCLUDING EVERYTHING FROM UNDERWEAR AND PAJAMAS, TO SWIMSUITS AND WINTER COATS THE SCHOOL'S CLOTHING CENTER CONDUCTED 3,626 INDIVIDUAL CLOTHING FITTINGS FOR STUDENTS DURING THIS PERIOD ALL STUDENTS RECEIVE REGULAR PHYSICAL AND DENTAL CHECKUPS FROM THE SCHOOL, AS WELL AS ANY OTHER NECESSARY HEALTH SERVICES LAST YEAR, THE SCHOOL'S DENTAL PROFESSIONALS PERFORMED MORE THAN 30,700 PROCEDURES - FROM EXAMS, TEETH CLEANINGS, FILLINGS, EXTRACTIONS, AND ORTHODONTIC WORK THERE WERE MORE THAN 36,000 MEDICAL VISITS BY STUDENTS TO THE SCHOOL'S MEDICAL PROFESSIONALS, WHICH INCLUDE NURSES, A PHYSICIAN AND CONSULTING MEDICAL SPECIALISTS IN KEEPING WITH ITS CONCERN FOR THE WELL-BEING OF THE WHOLE STUDENT, THE SCHOOL PROVIDES A VAST NUMBER OF RECREATIONAL OPPORTUNITIES TO ITS STUDENTS THOSE OPPORTUNITIES INCLUDE ORGANIZED SPORTS ACTIVITIES, VISUAL AND PERFORMING ARTS OPPORTUNITIES, SCOUTING PROGRAMS, ACADEMIC ORGANIZATIONS, AND CLUBS CENTERED ON HOBBIES IN ALL, THE SCHOOL OFFERS MORE THAN 100 EXTRACURRICULAR ACTIVITIES AND CLUBS

Identifier	Return Reference	Explanation
FORM 990, PART IV, QUESTION 28B	TRANSACTIONS WITH INTERESTED PERSONS	ALTHOUGH NOT REQUIRED TO BE REPORTED ON SCHEDULE L, THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST CHOOSES TO DISCLOSE THE FOLLOWING INFORMATION ANTHONY B SEITZ IS A FAMILY MEMBER OF BOARD MEMBER LEROY S ZIMMERMAN ANTHONY B SEITZ IS A PARTIAL OWNER OF DELTA DEVELOPMENT GROUP, INC (THE COMPANY) THE COMPANY PROVIDES TRANSPORTATION CONSULTING SERVICES FOR HERSHEY ENTERTAINMENT & RESORTS COMPANY AND THE HERSHEY COMPANY DELTA DEVELOPMENT GROUP, INC WAS PAID $100,739 IN TOTAL BY THE TWO RELATED COMPANIES DURING THE REPORTING PERIOD

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2	FAMILY/BUSINESS RELATIONSHIP	SEVERAL OF THE BOARD OF MANAGERS MEMBERS AND OFFICERS OF THE FILING ORGANIZATION ALSO SERVE AS DIRECTORS AND OFFICERS OF BUSINESS ENTITIES THAT ARE RELATED TO THIS FILING ORGANIZATION OTHER THAN THEIR OVERLAPPING SERVICE ON RELATED COMPANY BOARDS, THEY HAVE NO FAMILY OR BUSINESS RELATIONSHIPS WITH EACH OTHER PLEASE SEE FORM 990, SCHEDULES J AND R FOR FURTHER INFORMATION

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	ELECTION OF MEMBERS OF GOVERNING BODY	THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST HAVE A UNIQUE, SELF-PERPETUATING, INTERLOCKING AND INTEGRATED GOVERNANCE STRUCTURE. MR AND MRS HERSHEY ORGANIZED THE SCHOOL IN THE FORM OF A TRUST (THE "SCHOOL TRUST") CREATED UNDER AN ORIGINAL 1909 DEED OF TRUST THAT, AS AMENDED, STILL GOVERNS THE OPERATION OF THE SCHOOL THE DEED OF TRUST SETS FORTH THE RESPECTIVE POWERS AND AUTHORITIES OF THE TRUSTEE AND INDIVIDUAL MANAGERS OF THE SCHOOL AND NAMES THE HERSHEY TRUST COMPANY ("HTC"), A STATE CHARTERED TRUST COMPANY, AS TRUSTEE FOR COMPENSATION OF NO MORE THAN $1,000 PER YEAR UNDER THE DEED OF TRUST, THE TRUSTEE IS DIRECTED TO HOLD TITLE TO ALL SCHOOL PROPERTY AND ALL INVESTMENTS AND ASSETS THAT SUPPORT THE SCHOOL THE INDIVIDUAL MANAGERS, IN TURN, ARE NOT PERMITTED TO HOLD SCHOOL ASSETS, BUT ARE OTHERWISE GENERALLY RESPONSIBLE FOR MANAGING THE SCHOOL, INCLUDING WITH RESPECT TO ADMISSIONS, THE PROGRAM OF EDUCATING AND FULL-TIME CARING FOR THE CHILDREN, AND EMPLOYMENT DECISIONS AS REQUIRED UNDER THE DEED OF TRUST, THE MEMBERS OF THE BOARD OF MANAGERS OF THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST ARE APPOINTED BY THE TRUSTEE FROM AMONG THE TRUSTEE'S OWN BOARD OF DIRECTORS SINCE MR HERSHEY'S DEATH IN 1945, ALL OF THE STOCK OF HTC HAS BEEN OWNED BY THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST'S 100% OWNERSHIP OF THE STOCK OF HTC HAS ENSURED A SELF-PERPETUATING, INTERLOCKING GOVERNANCE STRUCTURE FOR THE SCHOOL BECAUSE THE HTC STOCK CARRIES THE RIGHT TO ELECT THE DIRECTORS OF HTC AND IN TURN TO APPOINT THE BOARD OF MANAGERS OF THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST FROM AMONG HTC'S OWN BOARD OF DIRECTORS THE SAME seven INDIVIDUALS (AS OF 7/31/12) SERVE ON THE BOARD OF DIRECTORS OF HTC AND THE BOARD OF MANAGERS OF THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	FORM 990 REVIEW PROCESS	THE FORM 990 IS REVIEWED BY MILTON HERSHEY SCHOOL AND SCHOOL TRUST MANAGEMENT, OUTSIDE COUNSEL AND BY MILTON HERSHEY SCHOOL AND SCHOOL TRUST'S INDEPENDENT TAX ADVISOR, WHO SIGNS THE RETURN AS THE "PAID PREPARER " THE AUDIT COMMITTEE OF THE BOARD OF MANAGERS REVIEWS AND DISCUSSES THE FORM 990 AT ONE OF ITS SCHEDULED MEETINGS PRIOR TO FILING THE RETURN WITH THE IRS ADDITIONALLY, THE FORM 990 IS PROVIDED TO THE FULL BOARD OF MANAGERS, NOTING KEY DISCLOSURES, PRIOR TO THE FILING OF THE FORM 990 WITH THE IRS

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	CONFLICT OF INTEREST	THE BOARD OF MANAGERS, OFFICERS AND KEY EMPLOYEES OF THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST HAVE A FIDUCIARY RELATIONSHIP WITH THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST WHICH REQUIRES THAT THEY ACT IN GOOD FAITH WITH REGARD TO THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST'S BEST INTERESTS IT IS ESSENTIAL IN FULFILLING THEIR DUTIES THAT THEY APPLY THE HIGHEST MORAL, LEGAL, AND ETHICAL STANDARDS IN THEIR CONDUCT AND BUSINESS RELATIONSHIPS THE MILTON HERSHEY SCHOOL AND HERSHEY TRUST COMPANY, TRUSTEE FOR THE MILTON HERSHEY SCHOOL TRUST, HAVE WRITTEN CONFLICT OF INTEREST POLICIES WHICH ARE INTENDED TO PERMIT THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST AND ITS MANAGERS, OFFICERS AND OTHER KEY EMPLOYEES TO IDENTIFY, EVALUATE AND ADDRESS ANY CONFLICT OF INTEREST THAT MIGHT CALL INTO QUESTION THIS FIDUCIARY DUTY TO THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST THE CONFLICT OF INTEREST POLICY COVERING THE MANAGERS OF THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST AND THE DIRECTORS OF HERSHEY TRUST COMPANY IS DOCUMENTED IN THEIR GOVERNANCE GUIDELINES MANUAL THE CONFLICT OF INTEREST POLICY COVERING OFFICERS AND OTHER KEY EMPLOYEES OF MILTON HERSHEY SCHOOL IS DOCUMENTED IN MILTON HERSHEY SCHOOL'S CONFLICT OF INTEREST POLICY AND CODE OF ETHICS THE CONFLICT OF INTEREST POLICY COVERING OFFICERS AND OTHER KEY EMPLOYEES OF HERSHEY TRUST COMPANY, TRUSTEE FOR MILTON HERSHEY SCHOOL AND SCHOOL TRUST, IS DOCUMENTED IN HERSHEY TRUST COMPANY'S ETHICAL STANDARDS, CONFLICT OF INTEREST, AND CODE OF CONDUCT SECTIONS OF ITS POLICY MANUALS EACH MANAGER, DIRECTOR, OFFICER AND KEY EMPLOYEE IS REQUIRED TO AVOID ALL ACTIVITY THAT COULD CREATE A CONFLICT OF INTEREST OR EVEN GIVE AN APPEARANCE OF A CONFLICT OF INTEREST ANY CONFLICTS OF INTEREST ARE TO BE REPORTED AS SOON AS PRACTICAL AFTER THEY BECOME AWARE OF SUCH A CONFLICT ANNUALLY EACH MANAGER, DIRECTOR, OFFICER AND KEY EMPLOYEE IS REQUIRED TO COMPLETE AN ANNUAL STATEMENT OF DISCLOSURE THE FORMS IDENTIFY VENDORS, INVESTMENTS, OTHER BOARD MEMBERSHIPS, AND FAMILY MEMBERS THAT COULD GIVE RISE TO CONFLICTS OF INTEREST THE STATEMENTS ARE REVIEWED BY THE COMPLIANCE OFFICER AND DEPUTY GENERAL COUNSEL OF HERSHEY TRUST COMPANY IN ORDER FOR THEM TO BE AWARE OF ACTIVITIES THAT COULD GIVE RISE TO CONFLICTS OF INTEREST POTENTIAL CONFLICTS OF INTEREST RELATED TO MANAGERS, DIRECTORS, OFFICERS AND KEY EMPLOYEES ARE BROUGHT TO THE ATTENTION OF THE PRESIDENT OF MILTON HERSHEY SCHOOL OR THE CHIEF EXECUTIVE OFFICER OR COMPLIANCE OFFICER OF HERSHEY TRUST COMPANY THE RELEVANT EXECUTIVE (OR HIS DESIGNEE) DETERMINES THE CORRECTIVE MEASURE, IF ANY, TO BE TAKEN TO RESOLVE THE CONFLICT, OR WILL IMPOSE APPROPRIATE RESTRICTIONS, IF ANY, ON THE PERSON WITH THE CONFLICT FOR CONFLICTS OF INTEREST INVOLVING THE EXECUTIVES OR MANAGERS/DIRECTORS, THE MATTER WOULD BE DISCUSSED WITH THE NOMINATING AND GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS OF THE HERSHEY TRUST COMPANY AND THE BOARD OF MANAGERS OF THE MILTON HERSHEY SCHOOL THE NOMINATING AND GOVERNANCE COMMITTEE, IN CONSULTATION WITH THE OTHER BOARD MEMBERS, EXCLUDING SUCH CONFLICTED PERSON, HAS THE FINAL APPROVAL OF ANY RECOMMENDED CORRECTIVE MEASURES OR IMPOSED RESTRICTIONS

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINES 15A AND 15B	COMPENSATION PROCESS	AN INDEPENDENT COMPENSATION CONSULTANT EVALUATES AND COMPARES THE COMPENSATION OF THE OFFICERS AND SENIOR DIRECTORS OF MILTON HERSHEY SCHOOL AND SCHOOL TRUST TO SIMILARLY QUALIFIED PERSONS IN FUNCTIONALLY COMPARABLE POSITIONS AT SIMILARLY SITUATED ORGANIZATIONS TO DETERMINE THAT IT IS FAIR AND REASONABLE THIS PROCESS OCCURS AT THE INITIAL HIRE OF THE OFFICER/SENIOR DIRECTOR AND AT REGULAR INTERVALS THEREAFTER, BUT NOT LESS FREQUENTLY THAN EVERY FIVE YEARS THE COMPENSATION INFORMATION IS REVIEWED AND APPROVED BY THE BOARD OF MANAGERS, THE GOVERNING BODY OF THE MILTON HERSHEY SCHOOL, WHO DO NOT HAVE ANY CONFLICT OF INTEREST WITH RESPECT TO THE COMPENSATION ARRANGEMENTS OF THE OFFICERS AND SENIOR DIRECTORS THE REVIEW OF THE COMPENSATION OF THE OFFICERS AND SENIOR DIRECTORS, INCLUDING DETAIL ON THE DELIBERATIONS AND DECISIONS, IS CONTEMPORANEOUSLY DOCUMENTED WITHIN THE MINUTES FROM THE BOARD MEETING A FILE WITH POSITION DESCRIPTIONS, RESUMES OF OFFICERS AND SENIOR DIRECTORS, THE REPORT OF THE INDEPENDENT COMPENSATION CONSULTANT AND A COPY OF THE APPLICABLE BOARD MINUTES IS MAINTAINED BY THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST THE COMPENSATION OF THE OFFICERS AND KEY EMPLOYEES OF HERSHEY TRUST COMPANY, TRUSTEE OF MILTON HERSHEY SCHOOL AND SCHOOL TRUST IS DETERMINED BY PERIODIC REVIEW (GENERALLY, AT LEAST EVERY 3 YEARS) BY THIRD PARTY COMPENSATION CONSULTANTS TO DETERMINE IT IS FAIR AND REASONABLE THE COMPENSATION OF THE STATUTORY OFFICERS (PRESIDENT, SECRETARY, AND TREASURER) AND ALSO THE COMPLIANCE OFFICER IS FIXED BY THE BOARD OF DIRECTORS OF HERSHEY TRUST COMPANY IN ACCORDANCE WITH SECTION 5 OF ITS BYLAWS THE CHIEF EXECUTIVE OFFICER OF HERSHEY TRUST COMPANY APPROVES COMPENSATION OF THE OTHER OFFICERS AND KEY EMPLOYEES AND REPORTS THIS COMPENSATION TO THE BOARD OF DIRECTORS OR A DESIGNATED COMMITTEE OF THE BOARD OF DIRECTORS AS ANY CHANGES ARE MADE THE MEMBERS OF THE BOARD OF MANAGERS OF MILTON HERSHEY SCHOOL AND SCHOOL TRUST DO NOT RECEIVE ANY DIRECT COMPENSATION FROM MILTON HERSHEY SCHOOL AND SCHOOL TRUST THE MANAGERS RECEIVE COMPENSATION FROM HERSHEY TRUST COMPANY AS DIRECTORS OF THE TRUST COMPANY IN ACCORDANCE WITH SECTION 16 OF ITS BYLAWS THE COMPENSATION IS REVIEWED AT LEAST EVERY THREE YEARS BY NATIONALLY RECOGNIZED THIRD PARTY COMPENSATION CONSULTANTS INDEPENDENT COUNSEL OPINES ON THE COMPENSATION PROCESS FOR DETERMINING COMPENSATION OF OFFICERS, AS APPROPRIATE, THAT IS IN ACCORDANCE WITH THE "REBUTTABLE PRESUMPTION OF REASONABLENESS" PROCEDURES SET OUT IN THE REGULATIONS FOR SECTION 4958 OF THE INTERNAL REVENUE CODE

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 17	STATE FILING OF FORM 990	THE FORM 990 IS NOT REQUIRED TO BE FILED IN THE STATE OF PENNSYLVANIA, HOWEVER, A COPY IS DELIVERED TO THE PENNSYLVANIA OFFICE OF THE ATTORNEY GENERAL FOR THEIR REVIEW

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	PUBLIC AVAILABILITY OF GOVERNING DOCUMENTS	THE DEED OF TRUST ESTABLISHING THE MILTON HERSHEY SCHOOL TRUST IS POSTED ON THE MILTON HERSHEY SCHOOL WEBSITE THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST DOES NOT MAKE AVAILABLE TO THE PUBLIC ITS OTHER GOVERNING DOCUMENTS OR CONFLICT OF INTEREST POLICY THE MILTON HERSHEY SCHOOL AND SCHOOL TRUST DOES HAVE ITS FORM 990 POSTED ON ANOTHER WEBSITE, GUIDESTAR INCLUDED IN THE 990 ARE CERTAIN FINANCIAL STATEMENT COMPONENTS FOR REVIEW THE FORM 990 AND TAX EXEMPTION LETTER ARE PROVIDED TO ANYONE WHO REQUESTS THEM IN ACCORDANCE WITH IRS REGULATIONS

Identifier	Return Reference	Explanation
FORM 990, PART IX	STATEMENT OF FUNCTIONAL EXPENSES	DURING THE PREPARATION OF THE IRS FORM 990 FOR FISCAL YEAR ENDED 7/31/2012, MILTON HERSHEY SCHOOL & SCHOOL TRUST REVIEWED THE IRS AND APPLICABLE INDUSTRY GUIDANCE IN DETERMINING THE METHODS OF COST ALLOCATIONS REQUIRED TO PREPARE PART IX STATEMENT OF FUNCTIONAL EXPENSES BASED ON THIS ANALYSIS, IN ACCORDANCE WITH APPLICABLE GUIDANCE, CERTAIN COST ALLOCATION METHODS WERE REVISED FOR REPORTING OF EXPENSES ON PART IX STATEMENT OF FUNCTIONAL EXPENSES

Identifier	Return Reference	Explanation
FORM 990, PART IX, LINE 11G	OTHER FEES FOR SERVICE	THIS AMOUNT IS FOR HOSPITAL, MEDICAL, AND DENTAL SERVICES PROVIDED FOR THE STUDENTS

Identifier	Return Reference	Explanation
FORM 990, PART XI, LINE 5	RECONCILIATION OF NET ASSETS	UNREALIZED GAIN $774,626,548 DECREASE-UNRECOGNIZED PENSION SERVICE COST (36,235,239) ______________ $738,391,309

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Employer identification number
23-1353340

Part I **Identification of Disregarded Entities** (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) MHST CORPUS LLC PO BOX 445 HERSHEY, PA 17033 27-1451942	RE RENTAL	PA	648,171	11,353,000	MHS TRUST
(2) MHST INCOME LLC PO BOX 445 HERSHEY, PA 17033 27-1451914	RE RENTAL	PA	0	0	MHS TRUST

Part II **Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization Yes	No
(1) THE MS HERSHEY FOUNDATION PO BOX 445 HERSHEY, PA 17033 23-6242734	EDUCATION	PA	501(C)(3)	9	HTC TRUSTEE		No
(2) THE WILLIAM E DEARDEN ALUMNI CAMPUS INC PO BOX 830 HERSHEY, PA 17033 20-2579678	SVCS TO ALUM	PA	501(C)(3)	7	NA		No
(3) HERSHEY CEMETERY COMPANY PO BOX 445 HERSHEY, PA 17033 23-1973529	CEMETERY	PA	501(C)(13)	N/A	NA		No

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) HERSHEY TRUST COMPANY PO BOX 445 HERSHEY, PA 17033 23-0692150	STATE TRUST C	PA	HTC TRUSTEE	C CORP	24,380,054	63,775,937	100 000 %
(2) HERSHEY ENTERTAINMENT & RESORTS CO 27 W CHOCOLATE HERSHEY, PA 17033 23-0691815	ENTERTAINMENT	PA	HTC TRUSTEE	C CORP	252,233,623	306,323,052	100 000 %
(3) THE HERSHEY CO 100 CRYSTAL A DR HERSHEY, PA 17033 23-0691590	CONFECTIONARY	PA	HTC TRUSTEE	C CORP	905,871,139	1,384,267,809	80 000 %

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III or IV		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a	Yes	
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Sale of assets to related organization(s)	1f		No
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h		No
i Lease of facilities, equipment, or other assets to related organization(s)	1i		No
j Lease of facilities, equipment, or other assets from related organization(s)	1j		No
k Performance of services or membership or fundraising solicitations for related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations by related organization(s)	1l		No
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m		No
n Sharing of paid employees with related organization(s)	1n	Yes	
o Reimbursement paid to related organization(s) for expenses	1o	Yes	
p Reimbursement paid by related organization(s) for expenses	1p	Yes	
q Other transfer of cash or property to related organization(s)	1q		No
r Other transfer of cash or property from related organization(s)	1r		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) HERSHEY ENTERTAINMENT & RESORTS CO	A	508,943	FMV
(2) HERSHEY TRUST COMPANY	A	206,509	FMV
(3) THE MS HERSHEY FOUNDATION	A	4,500	FMV
(4) HERSHEY ENTERTAINMENT & RESORTS CO	o	685,584	FMV
(5) HERSHEY TRUST COMPANY	N	96,594	FMV
(6) HERSHEY ENTERTAINMENT & RESORTS CO	c	304,502	FMV

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	**(b)** Primary activity	**(c)** Legal domicile (state or foreign country)	**(d)** Predominant income(related, unrelated, excluded from tax under sections 512-514)	**(e)** Are all partners section 501(c)(3) organizations?		**(f)** Share of total income	**(g)** Share of end-of-year assets	**(h)** Disproprtionate allocations?		**(i)** Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	**(j)** General or managing partner?		**(k)** Percentage ownership
				Yes	**No**			**Yes**	**No**		**Yes**	**No**	

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation
SCHEDULE R, PART I		Disregarded Entities The Milton Hershey School and School Trust owns 100% of MHST Corpus LLC and MHST Income LLC Both are Pennsylvania single-member limited liability companies The LLCs' principal activity are the acquisition, holding and development of rent-producing real estate, and their principal source of revenue is rent They are disregarded single-member LLCs for tax purposes MHST Corpus LLC holds investment real estate, MHST Income LLC does not currently have any assets or income All of MHST Corpus LLC's rental income and expenses are included in the Milton Hershey School and School Trust's financial statements SCHEDULE R, PART II RELATED TAX-EXEMPT ORGANIZATIONS The M S Hershey Foundation (EIN 23-6242734) is a Pennsylvania nonprofit that is exempt from Federal income tax pursuant to Internal Revenue Code Section 501(c)(3) Milton Hershey funded the Foundation in 1935 and appointed Hershey Trust Company as its trustee The Foundation has several operations in Hershey, Pennsylvania including the Hershey Story, Hershey Gardens, Hershey Community Archives and the Hershey Theatre The members of the Board of Managers of the Foundation are appointed by the Hershey Trust Company, in its capacity as trustee, from among its own board of directors Together the trustee and board of managers serve as the governing body of the Foundation Hershey Cemetery Company (EIN 23-1973529) is a Pennsylvania cemetery company that is exempt from Federal income tax pursuant to INTERNAL REVENUE CODE Section 501(c)(13) Hershey Trust Company operates the Cemetery Company and is trustee of the Hershey Cemetery Perpetual Maintenance Fund Trust (EIN 23-6629638) that was established to provide funding for perpetual maintenance for the Hershey Cemetery Hershey Cemetery is the final resting place of Milton & Catherine Hershey The Hershey Trust Company and the Hershey Cemetery Company are related to Milton Hershey School and School Trust The WILLIAM E DEARDEN ALUMNI CAMPUS, INC (EIN 20-2579678) is a Pennsylvania nonprofit that is exempt from Federal income tax pursuant to Internal Revenue Code Section 501(c)(3) The nonprofit's mission is to promote and enhance the education and general welfare of the students and alumni of the School, to achieve closer cooperation between the School and alumni, in the interest of the education and general welfare of the students and alumni, to develop among teachers, administration, students, alumni and the general public such programs and activities as will secure for all students and alumni the highest advantages in physical, mental and social education and development, to serve as a clearing house for the gathering and dissemination of information and know-how in furtherance of the foregoing purposes, and to solicit and accept donations, gifts, grants, legacies and bequests to further the foregoing purposes Per its governing instrument, several of the board members are selected from the officers of the Milton Hershey School and School Trust or are appointed by the President of the Milton Hershey School SCHEDULE R, PART IV RELATED ORGANIZATIONS TAXABLE AS A CORPORATION OR TRUST The Milton Hershey School and School Trust holds 32 5% of the outstanding combined Common and Class B shares of the Hershey Company Each share of the Class B common stock entitles its holder to 10 votes The Milton Hershey School and School Trust has 80% of all votes entitled to be cast on matters requiring the vote of common stock and class B common stock voting together Columns (F) and (G) reflect the Milton Hershey School and School Trust's 32 5% share of the Hershey Company's total income and end-of-year assets Column (H) reflects the Milton Hershey School and School Trust's total combined voting power (PERCENTAGES AS OF DECEMBER 31, 2011) SCHEDULE R, PART V, LINE 2 (ITEM 6) HERSHEY ENTERTAINMENT & RESORTS CO PROVIDED HERSHEYPARK AND GIANT CENTER TICKETS AND OTHER BENEFITS TO MILTON HERSHEY SCHOOL STUDENTS AT NO COST THE VALUE OF THESE BENEFITS WAS $304,502 The following is a transaction between the Milton Hershey School and School Trust and related organizations reported on Schedule R, Parts II and IV that is not required to be reported per the instructions to Schedule R because it is below the threshold Fee for performance of trustee service by Hershey Trust Company was $1,000

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 23-1353340
Name: MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Form 990, Schedule R, Part V - Transactions With Related Organizations

	(a) Name of other organization	**(b)** Transaction type(a-r)	**(c)** Amount Involved ($)	**(d)** Method of determining amount involved
(1)	HERSHEY ENTERTAINMENT & RESORTS CO	A	508,943	FMV
(2)	HERSHEY TRUST COMPANY	A	206,509	FMV
(3)	THE MS HERSHEY FOUNDATION	A	4,500	FMV
(4)	HERSHEY ENTERTAINMENT & RESORTS CO	o	685,584	FMV
(5)	HERSHEY TRUST COMPANY	N	96,594	FMV
(6)	HERSHEY ENTERTAINMENT & RESORTS CO	c	304,502	FMV

Additional Data

Software ID:
Software Version:
EIN: 23-1353340
Name: MILTON HERSHEY SCHOOL AND SCHOOL TRUST

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(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			
ROBERT F CAVANAUGH BOARD OF MANAGERS	8 8	X							217,083	122,367
JAMES M MEAD BOARD OF MANAGERS	5 8	X							175,847	83,466
JAMES E NEVELS BOARD OF MANAGERS	3 8	X							468,013	122,367
VELMA A REDMOND ESQ BOARD OF MANAGERS	8 6	X							120,417	2,367
JOSEPH M SENSER BOARD OF MANAGERS	7 3	X							105,000	2,367
LEROY S ZIMMERMAN BOARD OF MANAGERS to 12/11	6 5	X							1,289,216	56,673
BARBARA M BARRETT BOARD OF MANAGERS to 12/11	10 2	X							107,500	2,367
ROBERT HEIST BOARD OF MANAGERS	15 1	X							94,167	2,367
RICHARD ZILMER BOARD OF MANAGERS	6 6	X							91,667	2,367
JAMES M SHEEHAN Board of Managers to 7/12	6 5	X							114,002	14,649
HERSHEY TRUST COMPANY TRUSTEE			X					1,000		
ELLIOTT H ROBINSON VP ADMINISTRATION	48 0			X				225,400		70,807
JOAN K SINGLETON VP HUMAN RESOURCES	50 0			X				220,866		66,240
PETER G GURT SR VP/CHIEF OPERATING OFFICER	55 0			X				247,370		105,704
ANTHONY J COLISTRA ED D PRESIDENT	55 0			X				382,048		202,752
MARY LOUISE PORTER ESQ GEN CNSL/SEC/VP LEGAL AFFAIRS	50 0			X				200,086	116,000	56,801
WILLIAM DAVIES CFO & TREASURER	45 0			X					307,494	56,825
ROBERT J CROBAK VP CURRICULUM & INSTRUCTION	45 0			X				150,046		44,290
CONSTANCE M MCNAMARA-JEFFREY VP - COMMUNICATIONS	50 0			X				153,333		42,048
MARC A WOOLLEY ESQ ACTING SECRETARY BEGIN 2/12	50 0			X					60,222	160
ROBERT L FEHRS HEAD-MIDDLE DIVISION	49 0				X			211,582		68,602
ANNETTE K COLE GILL HEAD-ELEMENTARY DIVISION	48 0				X			175,526		59,017
BETH J SHAW EXEC DIRECTOR- STUDENT SUPPORT	50 0				X			181,452		46,284
MICHAEL D WELLER HEAD- SENIOR DIVISION	50 0				X			169,604		59,965
ALPHONSE J CARBONARA SR DIRECTOR FINANCIAL SERVICES	40 0				X			171,809		40,362

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(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			
TIMOTHY C FAKE SR DIRECTOR IT	48 0					X		138,303		25,299
ROBERT J KEMMERY DIR CAREER & TECH EDUCAT	45 0					X		125,116		32,101
JOHN J OSMOLINSKI SR DIR CONSTRUCTION/FAC	50 0					X		138,985		40,769
STEPHEN MARK SEYMOUR SR DIR ENROLL MGT/FAMIL	40 0					X		137,011		37,325
ERICA M WEILER-TIMMONS DIR PSYCHOLOGICAL SERVICE	50 0					X		128,332		38,775
RAYMOND GOVER BOARD OF MANAGERS to 6/11	4 3						X		51,875	2,367
GAYLA M BUSH TREASURER to 2/11	53 0						X		235,949	44,262