



Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

OMB No. 1545-0047

1998

This Form Is
Open to Public
Inspection

Note: The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 1998 calendar year, OR tax year period beginning August 1, 1998, and ending July 31, 1999

B Check if:

- ☐ Change of address
- ☐ Initial return
- ☐ Final return
- ☐ Amended return (required also for state reporting)

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

C Name of organization

Milton Hershey School & School Trust

Number and street (or P.O. box if mail is not delivered to street address) Room/suite

P.O. Box 445

City or town, state or country, and ZIP+4

Hershey, PA 17033

D Employer identification number

23 1353340

E Telephone number

(717) 534-3225

F Check ☐ If exemption application is pending

G Type of organization — ☒ Exempt under section 501(c)(3) (insert number) OR ☐ section 4947(a)(1) nonexempt charitable trust

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

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

I If either box in H is checked "Yes," enter four-digit group exemption number (GEN) _____

(b) If "Yes," enter the number of affiliates for which this return is filed: _____

J Accounting method: ☐ Cash ☒ Accrual

(c) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

☐ Other (specify) _____

K Check here ☐ If the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 13.)

1	Contributions, gifts, grants, and similar amounts received:			
a	Direct public support	1a	825	
b	Indirect public support	1b	0	
c	Government contributions (grants)	1c	0	
d	Total (add lines 1a through 1c) (attach schedule of contributors) (cash \$ 825 noncash \$ 0)	1d	825	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	377,418	
3	Membership dues and assessments	3	0	
4	Interest on savings and temporary cash investments	4	5,851,771	
5	Dividends and interest from securities	5	109,900,631	
6a	Gross rents	6a	3,845,138	
b	Less: rental expenses	6b	1,954,614	
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c	1,890,524	
7	Other investment income (describe) See Attached	7	10,062,482	
8a	Gross amount from sale of assets other than inventory	(A) Securities 1,181,708,307 8a 2,025,770		
b	Less: cost or other basis and sales expenses	1,052,687,900 8b 191,193		
c	Gain or (loss) (attach schedule)	129,020,407 8c 1,834,577		
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d	130,854,984	
9	Special events and activities (attach schedule)			
a	Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a		
b	Less: direct expenses other than fundraising expenses	9b		
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c	0	
10a	Gross sales of inventory, less returns and allowances	10a		
b	Less: cost of goods sold	10b		
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	0	
11	Other revenue (from Part VII, line 103)	11	0	
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	258,938,635	
13	Program services (from line 44, column (B))	13	72,934,636	
14	Management and general (from line 44, column (C))	14	13,696,049	
15	Fundraising (from line 44, column (D))	15	0	
16	Payments to affiliates (attach schedule)	16	0	
17	Total expenses (add lines 16 and 44, column (A))	17	86,630,685	
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	172,307,950	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	5,000,308,719	
20	Other changes in net assets or fund balances (attach explanation)	20	(279,967,769)	
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	4,892,648,900	

APR 28 '00 RECEIVED

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See Specific Instructions on page 17.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	0	0		
23	Specific assistance to individuals (attach schedule)	0	0		
24	Benefits paid to or for members (attach schedule)	0	0		
25	Compensation of officers, directors, etc.	866,762	633,342	233,420	None
26	Other salaries and wages	28,966,209	27,384,473	1,581,736	"
27	Pension plan contributions	7,553,267	5,664,950	1,888,317	"
28	Other employee benefits	1,879,370	1,409,528	469,842	"
29	Payroll taxes	2,286,709	1,715,032	571,677	"
30	Professional fundraising fees	0	0	0	"
31	Accounting fees	14,500	10,875	3,625	"
32	Legal fees	573,729	442,931	130,798	"
33	Supplies	2,834,705	2,616,137	218,568	"
34	Telephone	420,842	394,232	26,610	"
35	Postage and shipping	104,365	80,613	23,752	"
36	Occupancy	2,824,018	2,118,014	706,004	"
37	Equipment rental and maintenance	2,064,619	1,548,464	516,155	"
38	Printing and publications	181,641	150,147	31,494	"
39	Travel	505,816	447,404	58,412	"
40	Conferences, conventions, and meetings	297,731	267,466	30,265	"
41	Interest	0	0	0	"
42	Depreciation, depletion, etc. (attach schedule)	13,797,905	13,797,905	0	"
43	Other expenses (itemize): a Other	5,989,957	5,214,245	775,712	"
	b General Insurance/Medical	1,214,020	1,099,263	114,757	"
	c Food & Clothing	3,229,195	2,583,356	645,839	"
	d Contracted Services/Consulting	6,030,484	5,356,259	674,225	"
	e Outside Manager/Trustee Exp.	4,994,841	0	4,994,841	"
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	86,630,685	72,934,636	13,696,049	"

Reporting of Joint Costs.—Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See Specific Instructions on page 20.)

What is the organization's primary exempt purpose? ▶		Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a	Education & Guidance (See attached) (Grants and allocations \$ None)	23,654,692
b	Board, Lodging & Clothing (See attached) (Grants and allocations \$ None)	23,418,145
c	Health Services/Recreation, Social Life & Enrollment (See attached) (Grants and allocations \$ None)	12,063,894
d	Depreciation on School Buildings, Student Homes, Machinery & Equipment (See attached) (Grants and allocations \$ None)	13,797,905
e	Other program services (attach schedule) (Grants and allocations \$ N/A)	0
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)	72,934,636

Part IV Balance Sheets (See Specific Instructions on page 20.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year	(B) End of year
Assets	45 Cash—non-interest-bearing	0	45 0
	46 Savings and temporary cash investments	126,889,764	46 98,978,893
	47a Accounts receivable	47a 19,122,194	
	b Less: allowance for doubtful accounts	47b 0	47c 19,122,194
	48a Pledges receivable	48a	
	b Less: allowance for doubtful accounts	48b 0	48c 0
	49 Grants receivable	0	49 0
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)	0	50 0
	51a Other notes and loans receivable (attach schedule).	51a	
	b Less: allowance for doubtful accounts	51b 0	51c 0
	52 Inventories for sale or use	1,014,642	52 823,681
	53 Prepaid expenses and deferred charges	244,818	53 5,630,343
	54 Investments—securities (attach schedule)	4,745,532,527	54 4,630,784,176
	55a Investments—land, buildings, and equipment: basis	55a 12,180,980	
	b Less: accumulated depreciation (attach schedule).	55b 6,171,538	55c 6,009,442
56 Investments—other (attach schedule)	0	56 0	
57a Land, buildings, and equipment: basis	57a 275,296,516		
b Less: accumulated depreciation (attach schedule).	57b 78,639,367	57c 196,657,149	
58 Other assets (describe ►)	15,000	58 15,000	
59 Total assets (add lines 45 through 58) (must equal line 74)	5,044,594,538	59 4,958,020,878	
Liabilities	60 Accounts payable and accrued expenses	44,285,819	60 65,371,978
	61 Grants payable	0	61 0
	62 Deferred revenue	0	62 0
	63 Loans from officers, directors, trustees, and key employees (attach schedule).	0	63 0
	64a Tax-exempt bond liabilities (attach schedule)	0	64a 0
	b Mortgages and other notes payable (attach schedule)	0	64b 0
	65 Other liabilities (describe ►)	0	65 0
66 Total liabilities (add lines 60 through 65)	44,285,819	66 65,371,978	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	752,846,485	67 809,617,103
	68 Temporarily restricted	0	68 0
	69 Permanently restricted	4,247,462,234	69 4,083,031,797
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds	0	70 0
	71 Paid-in or capital surplus, or land, building, and equipment fund	0	71 0
	72 Retained earnings, endowment, accumulated income, or other funds	0	72 0
	73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	5,000,308,719	73 4,892,648,900
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	5,044,594,538	74 4,958,020,878

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part VI Other Information (See Specific Instructions on page 23.)

	Yes	No
76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity.	76	X
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77	X
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b If "Yes," has it filed a tax return on Form 990-T for this year?	78b	X
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X
b If "Yes," enter the name of the organization See Attached Schedule and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
81a Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81.	81a	None
b Did the organization file Form 1120-POL for this year?	81b	N/A
82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? Alumni volunteer to act as mentors and recruiting support	82a	X
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions for reporting in Part III.)	82b	N/A
83a Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	N/A
84a Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85 501(c)(4), (5), or (6) organizations.—a Were substantially all dues nondeductible by members?	85a	N/A
b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	N/A
c Dues, assessments, and similar amounts from members	85c	N/A
d Section 162(e) lobbying and political expenditures	85d	N/A
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85g	N/A
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86 501(c)(7) organizations.—Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
b Gross receipts, included on line 12, for public use of club facilities.	86b	N/A
87 501(c)(12) organizations.—Enter: a Gross income from members or shareholders	87a	N/A
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If "Yes," complete Part IX	88	X
89a 501(c)(3) organizations.—Enter: Amount of tax imposed on the organization during the year under: section 4911 None ; section 4912 None ; section 4955 None		
b 501(c)(3) and 501(c)(4) organizations.—Did the organization engage in any section 4958 excess benefit transaction during the year? If "Yes," attach a statement explaining each transaction	89b	X
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.		- 0 -
d Enter: Amount of tax on line 89c, above, reimbursed by the organization.		- 0 -
90a List the states with which a copy of this return is filed None		
b Number of employees employed in the pay period that includes March 12, 1998 (See instructions.)	90b	1,001
91 The books are in care of Hershey Trust Company Telephone no. 717-2534-3225 Located at 100 Mansion Road East, Hershey, PA ZIP + 4 17033-0445		
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year 92		

SCHEDULE A
(Form 990)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust)

Supplementary Information

See separate instructions.

▶ **Must be completed by the above organizations and attached to their Form 990 or 990-EZ.**

OMB No. 1545-0047

1998

Department of the Treasury
Internal Revenue Service

Name of the organization

Milton Hershey School & School Trust

Employer identification number

23-1353340

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions on page 1. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Evan Pattishall, MD	Dean of Community Service			
158 Hotel Road, Hershey, PA	Full-Time	108,002	19,639	3,000
Robert Sloane	Exec. Director of Development			
820 Pamela's Lane, Mechanicsburg, PA	Full-Time	98,837	22,500	-----
Gene Vandyke	Dean of Scholastic Affairs			
121 Dogwood Dr., Hershey, PA	Full-Time	97,538	17,533	3,000
Dr. William Larkin	Director of Organizational Devel. & Pathways to Learning			
795 Brook Drive, Hershey, PA	Full-Time	97,069	16,988	3,000
Dr. Richard Pierce	Dean of Neighborhood & Family Life			
765 Brook Drive, Hershey, PA	Full-Time	91,482	17,685	10,614
Total number of other employees paid over \$50,000 ▶	141			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions on page 1. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Reynolds Construction Management Inc.		
3300 North 3rd Street, Harrisburg, PA 17110	Construction Mgmt.	2,915,775
Perry Dean Rogers & Partners Assoc.		
177 Milk Street, Boston, MA 02109	Architectural	1,699,638
Silchester International Investors		
780 Third Avenue, 42nd Floor, New York, NY 10017	Investment Management	854,164
Peat Marwick (KPMGLLP)		
Dept. 0508, Washington, D.C. 20073	Research Consultants	717,067
Reynolds Facilities Management Inc.		
3300 N. 3rd Street, Harrisburg, PA 17110	Contracted Custodial Services	700,337
Total number of others receiving over \$50,000 for professional services ▶	35	

Part III Statements About Activities

Yes No

- 1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum?

If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ 13,583

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

- 2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary:

a Sale, exchange, or leasing of property? See Attached

b Lending of money or other extension of credit?

c Furnishing of goods, services, or facilities? See Attached

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? See Attached

e Transfer of any part of its income or assets?
If the answer to any question is "Yes," attach a detailed statement explaining the transactions.

- 3 Does the organization make grants for scholarships, fellowships, student loans, etc.? See Attached

4a Do you have a section 403(b) annuity plan for your employees?

b Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See instructions on page 2.)

Part IV Reason for Non-Private Foundation Status (See instructions on pages 2 through 4.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 ☒ A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 4.)
- 7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ►
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 ☐ 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 charitable, etc., 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See instructions on page 4.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions on page 4.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) . ▶	(a) 1997	(b) 1996	(c) 1995	(d) 1994	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975		NOT APPLICABLE			
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf.					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22.					
24 Line 23 minus line 17.					
25 Enter 1% of line 23					
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24. ▶					26a
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1994 through 1997 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts. ▶					26b
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶					26c
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____ ▶					26d
e Public support (line 26c minus line 26d total) ▶					26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					26f %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year: (1997) _____ (1996) _____ (1995) _____ (1994) _____ b For any amount included in line 17 that was received from a nondisqualified person, attach a list to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (1997) _____ (1996) _____ (1995) _____ (1994) _____ c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶					27c
d Add: Line 27a total _____ and line 27b total _____ ▶					27d
e Public support (line 27c total minus line 27d total). ▶					27e
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶					27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)). ▶					27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)). ▶					27h %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1994 through 1997, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See instructions on page 4.)					

Part V Private School Questionnaire (See instructions on page 4.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 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?	X	
30 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?	X	
31 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, attach a separate statement.)	X	
See Attached		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	X	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d Copies of all material used by the organization or on its behalf to solicit contributions?	N/A	
Does not solicit		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		X
b Admissions policies?		X
c Employment of faculty or administrative staff?		X
d Scholarships or other financial assistance?		X
e Educational policies?		X
f Use of facilities?		X
g Athletic programs?		X
h Other extracurricular activities?		X
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a Does the organization receive any financial aid or assistance from a governmental agency? See Attached		X
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		X
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	X	

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions on page 6.)(To be completed **ONLY** by an eligible organization that filed Form 5768)Check here **a** ☐ if the organization belongs to an affiliated group.Check here **b** ☐ if you checked "a" above and "limited control" provisions apply.**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table—			
If the amount on line 40 is—			
Not over \$500,000	20% of the amount on line 40.		
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		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.**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 45 through 50 on page 7.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
45 Lobbying nontaxable amount.					
46 Lobbying ceiling amount (150% of line 45(e)).					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions on page 8.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

	Yes	No	Amount
a Volunteers.		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)	X		
c Media advertisements		X	
d Mailings to members, legislators, or the public	X		40
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body	X		13,543
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (add lines c through h).			13,583

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

[illegible]

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

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Part I, Line 1a, CONTRIBUTIONS, GIFTS, GRANTS, AND SIMILAR AMOUNTS RECEIVED:
• DIRECT PUBLIC SUPPORT

Miscellaneous contributions under \$5,000

825

825

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PART I, LINES 4 AND 5

INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS, LINE 4

Other Interest	<u>5,851,771</u>
----------------	------------------

DIVIDENDS AND INTEREST FROM SECURITIES, LINE 5

Dividends

Hershey Foods Corporation	39,289,270
Hershey Entertainment & Resorts Co.	1,353,000
Hershey Trust Company	207,000
Other dividends	31,504,686

Interest

U.S. Government Securities	16,377,049
Corporate Bonds	21,168,246
Mortgages	1,379

109,900,631

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PART I, OTHER INVESTMENT INCOME, LINE 7:

Intercompany investment income, Hershey Trust Company (961,518)

Intercompany investment income, Hershey Entertainment & Resorts Co. 11,024,000

10,062,482

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PART I. SALES OF ASSETS OTHER THAN INVENTORY, LINE 8:

Description and Manner of Acquisition	Date Sold	Purchaser	Gross Sales Price	Cost	Expense of Sale	Accumulated Depreciation	Gain(Loss) on Sale
Other Sales:							
Writeoff of retired assets	Various		0	81,779	0	72,670	(9,109)
Sale of 93.7048 acres	7-26-98	Hershey Foods Corp	1,797,500	925	18,605	0	1,777,970
Sale of 36 Lucy Avenue	3-29-99	M Grimm	92,500	76,918	6,077	0	9,505
School Equipment Dismantled or Sold	Various	Various	160,452	3,177,515	0	3,073,275	56,212
			2,050,452	3,337,138	24,682	3,145,945	1,834,577
Security Sales:							
Various Publicly Traded Securities	Various	Various	1,181,708,307	1,052,687,900	0	0	129,020,407
TOTAL			1,183,758,759	1,056,025,038	24,682	3,145,945	130,854,984

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PART I, OTHER CHANGES IN FUND BALANCE, LINE 20:

Unrealized gains(losses) on investments carried at market value, Principal Fund	(257,619,213)
--	---------------

Unrealized gains(losses) on investments carried at market value, Income Fund	(22,348,556)
---	--------------

(279,967,769)

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PART II, DEPRECIATION, DEPLETION, ETC., LINE 42:

Description	Date Placed in Service	Method of Depreciation	Life (Years)	Depreciation Expense	Program Services	Management and General
Student Homes	Various	Straight-Line	15-50	2,889,893	2,889,893	0
Community/ School Buildings	Various	Straight-Line	15-50	3,293,794	3,293,794	0
Deferred Maintenance, AHERA & Technology	Various	Straight-Line	1-3	5,659,318	5,659,318	0
School Machinery & Equipment	Various	Straight-Line	2-18	1,351,967	1,351,967	0
Trucks & Buses	Various	Straight-Line	2-10	602,933	602,933	0
				<u>13,797,905</u>	<u>13,797,905</u>	<u>0</u>

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PART III - STUDENT CARE:

Milton Hershey School provides, through its Elementary, Intermediate, and Senior High Programs, an education and residential opportunity for approximately 1,100 children whose natural family relationships have been disrupted. Life in the student homes provides the warmth of family living and the personal satisfaction needed to enable children to make full use of the educational advantages.

Line a. EDUCATION AND GUIDANCE - The student centered program provides for the educational, physical, social, and psychological needs of the students. Teachers and specialists give their attention to each student individually. During periods of career choice or planning of the student's program, the results of his or her achievement and aptitude tests are used in vocational guidance counseling to assist the student in making wise and appropriate choices.

Line b. BOARD, LODGING, AND CLOTHING - With the help of the houseparents and older students, the new student soon feels at home in the new environment. Meals consist of appetizing, nourishing food. A complete wardrobe of appropriate clothes for all occasions is selected at the time of admission and is replenished as needed.

Line c. HEALTH SERVICES/RECREATION & SOCIAL LIFE - During the year, students have regular physical and dental checkups. Medical care is provided by the School physician, School nurses, and consulting medical specialists. The School's well-equipped health center is available when needed. Proper dental care is assured through the services of a complete professional staff.

Student home recreational activities include intramurals, team sports, individual sports, hobbies, ice skating, swimming, fishing, boy and girl scouting, dance classes, camping, dances, tournaments and special events. Extracurricular activities include art, athletics, music, dramatics, student government, photography, student publications and video production. In their social life, students participate in parties, dances, privileges in town, Hersheypark privileges, volunteer work and work programs. Most of these social activities take place on campus, however, there is opportunity for our students to associate with students in the town of Hershey.

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PART III LINE d.
SCHOOL OPERATIONS DEPRECIATION

The School Operations Depreciation includes depreciation on all school buildings, student homes, and school machinery and equipment.

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

MARKET VALUE

PRINCIPAL FUND:

Stocks:

Hershey Foods Corporation	2,469,795,266
Hershey Entertainment & Resorts Company	19,818,000
Hershey Trust Company	6,547,582
Common Stocks - other	850,585,961
REIT stocks	164,372,653

3,511,119,463

Investment in Real Estate:

Real Estate	<u>5,749,059</u>
-------------	------------------

Bonds and Notes:

U.S. Government Obligations	230,917,173
Corporate Bonds	253,751,792
Agency Bonds	49,635,574

534,304,538

TOTAL PRINCIPAL FUND

4,051,173,060

INCOME FUND:

Stocks:

Hershey Trust Company	30,277,965
Common Stocks - other	477,499,824

507,777,789

Investment in Real Estate:

Real Estate	<u>8,061,772</u>
-------------	------------------

Bonds and Notes:

U.S. Government Obligations	24,352,381
Corporate Bonds	39,419,175

63,771,555

TOTAL INCOME FUND

579,611,116

Investments-Securities

4,630,784,176

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
PRINCIPAL FUND		
<u>CONTROLLED COMPANIES</u>		
30,306,006.00	Hershey Foods Corp Class B	1,757,748,348.00
12,276,671.00	Hershey Foods Corp.	712,046,918.00
		<u>2,469,795,266.00</u>
882.00	Hershey Entertainment & Resorts Co	<u>19,818,000.00</u>
5,334.00	Hershey Trust Company	<u>6,547,582.26</u>

STOCKS

Schroder Account 381

52,020.00	Elan Corp PLC-Spons ADR	1,511,831.25
10,179.00	ABB Limited CHF10 (Regd)	986,903.02
217,200.00	ASDA Group PLC Ord	772,341.50
	Acc purch 13,000 Abbey National	831,946.00
	Acc purch 8,130 Abbey National	
	Acc purch 27,000 Abbey National	
6,120.00	Accor Ord	1,457,422.03
4,060.00	Air Liquide (L') Ord FRF70	660,067.00
211,882.00	Airtours PLC Ord 10p	1,642,445.68
6,490.00	Akzo Nobel NV NLG5	273,072.97
	Acc sale 6,490 Akzo Nobel	(273,072.97)
6,080.00	Alcatel	935,764.01
133,860.00	Allied Domecq PLC Ord	1,203,535.28
65,930.00	Arm Holdings PLC Ord 0.25p	1,014,662.72
12,830.00	Assurances Generales de France	646,085.97
	Purch 1,000 Asustek Computer	254,400.00
	Purch 1,000 Asustek Computer	
	Purch 14,960 Asustek Computer	
9,760.00	Axa-UAP Ord	1,143,847.03
17,230.00	BASF AG NPV	771,764.45
	Acc purch 6,460 BASF	289,355.55
183,790.00	BP Amoco PLC Ord USDO.50	3,593,719.39
66,800.00	Bank of Ireland Cap Stk	629,163.12

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
	Rec'd 66,800 Bank of Ireland in 2 for 1 split	629,163.12
5,000.00	Bankinter SA ESP250(Regd)	199,610.00
19,170.00	Bayer Hypo-undVer Ord NPV	1,090,509.04
	Acc purch 19,000 Blue Circle Ind	435,843.00
	Acc purch 15,000 Blue Circle Ind	
	Acc purch 24,000 Blue Circle Ind	
	Acc purch 3,180 Blue Circle Ind	
7,150.00	Bouygues FRF%) (Ren Rts June 99) NP	0.00
7,936.00	Bouygues Ord FRF50	2,195,665.09
51,000.00	Bridgestone Corp. Ord	1,568,732.00
176,148.00	British Airways Ord	1,154,993.64
95,050.00	British Energy PLC Ord	805,320.63
215,490.00	British Land Co PLC Ord	1,780,378.40
161,950.00	British Sky Broadcasting	1,524,305.79
120,900.00	British Telecom Ord	2,105,473.61
140,020.00	Cable & Wireless Ord	1,708,047.95
5,150.00	Canal Plus Ord FRF20	362,415.49
	Rec'd 15,450 Canal Plus in 4 for 1 split	1,087,246.47
2,930.00	Cap Gemini	498,618.97
298,700.00	Carter Holt Harvey Ord	372,251.89
22,100.00	Credit Saison Ord JPY50	462,175.95
106,000.00	DBS Land Ord SGD1	220,403.67
	Acc purch 26,500 DBS Land Rts	55,101.00
23,208.00	DaimlerChrysler AG NPV	1,833,149.94
41,000.00	Daiwa House Ind Co Ord	430,859.18
6,220.00	Danone Group FRF10	1,579,098.04
10,950.00	Den Danske Bank Af Ord	1,211,283.02
55,900.00	Dev Bk Singapore Ord	727,280.23
205,760.00	E.N.I. ITL1000	1,253,074.31
118.00	East Japan Railway JPY50000	743,402.82
	Purch 51 East Japan Railway	321,301.18
68,510.00	Electric De Portu PTE1000	1,220,143.85
203,370.00	Electrocomponents Ord 10p	1,828,499.71
38,680.00	Electrolux Co.	804,284.87
17,991.00	Elf Aquitaine	3,080,910.98
69,370.00	Endesa SA Ord	1,364,648.69
74,495.00	Ericsson (L.M.) Telef Ord Class B	2,430,245.92
	Acc purch 26,210 Ericsson Telef	855,047.08

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
50,000.00	Fuji Photo Film Co Ord	1,921,376.04
86,226.00	Glaxo Wellcome PLC Ord	2,223,802.99
161,000.00	Hitachi Limited	1,620,360.37
29,360.00	Hoechst AG Ord	1,253,813.25
	Acc sale 6,290 Hoechst	(268,613.25)
	Acc purch 21,000 Hutchison Whampoa	361,078.00
	Acc purch 6,000 Hutchison Whampoa	
	Acc purch 11,000 Hutchison Whampoa	
35,440.00	ING Groep NV Ord	1,813,116.07
16,300.00	ISS International Ser B	910,915.09
124,000.00	Imperial Chem. Inds Ord.GBP1	1,442,318.45
6,016.00	Jeronimo Martins Baby Shares PTE1000	198,718.71
18,050.00	Jeronimo Martins PTE 1000	579,372.34
	Adjust for conversion Baby shares to common	(5,616.05)
9,800.00	KBC Bankverzek.Hld NPV	545,423.03
1,960.00	Karstadt AG Ord.Shs.DEM50	941,903.04
16,000.00	Kinden Ord	168,698.07
141,300.00	Kingfisher PLC Ord 12.5	1,582,885.00
24,321.00	Koninklijke Philips Elecs EUR1	2,484,626.95
114,000.00	Kuraray Co Ltd Ord	1,341,042.39
522,560.00	LASMO PLC Ord 25p	1,409,501.07
9,250.00	Lafarge Ord FRF25	1,003,884.00
188,000.00	Lloyds TSB Group PLC Ord	2,442,571.23
18,490.00	Mannesmann Ag Ord	2,800,252.89
88,630.00	Marks & Spencer Ord 25p	545,606.29
	Acc sale 21,000 Marks & Spencer	(129,276.20)
	Acc sale 10,000 Marks & Spencer	(61,560.00)
52,000.00	Matsushita Electric Ind	1,234,734.79
166,000.00	Mitsui & Co. Ltd	1,180,326.43
68,000.00	Mitsui Fudosan	562,906.72
19,000.00	Murata Manufacturing Co. Ord	1,405,611.08
20.00	NTT Docomo JPY50	310,209.00
80.00	NTT Docomo JPY50 (Bns Iss to New shs June 99)	1,233,863.05
89.00	Nippon Tel & Tel Corp JPY50000	1,132,261.13
	Acc purch 25 Nippon Tel & Tel	318,050.87
10.00	Nippon Tele Network Ord	4,801.00
10,000.00	Nitto Denko Corp Ord JPY50	261,411.99
43,000.00	Nomura Securities	602,501.81

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PART IV. INVESTMENTS-SECURITIES. LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
1,020.00	Novartis AG	1,471,623.93
13,436.00	OCE N.V. NLG1	290,486.05
109,350.00	Olivetti SPA ITL1000	227,119.94
	Rec'd 48,114 Olivetti Spa	131,855.48
157,464.00	Olivetti SPA ITL1000 Ren Rts (June 99) FP	358,975.42
	Exchange for 48,114 Olivetti Spa	(358,975.42)
43,000.00	Omron Corp Ord	715,658.01
26,630.00	Pearson PLC Ord.25p	541,845.95
14,300.00	Promise Co JPY50	947,007.77
	Acc purch 300 Promise	19,867.23
26,570.00	R.W.E. AG NPV	1,107,650.96
52,370.00	RMC Group PLC Ord 25p	916,266.03
	Acc sale 5,000 RMC Group	(262,440.03)
	Acc sale 10,000 RMC Group	
24,990.00	Rio Tinto PLC Ord 10p	473,862.86
143.00	Roche Holdings AG Genusscheine NPV	1,579,456.09
432,510.00	Rolls-Royce PLC Ord	1,802,463.78
42,010.00	Royal Dutch Petroleum Ord	2,625,846.79
4,900.00	SMC Corp Ord	602,031.01
43,090.00	San Paolo-IMI SPA ITL6000	546,971.98
14,680.00	Sanofi-Synthelabo EUR2	610,409.10
	Acc purch 12,640 Sanofi-Synthelabo	733,488.90
	Acc purch 5,000 Sanofi-Synthelabo	
54,080.00	Securitas AB SEK 1	801,330.92
35,000.00	Sekisui House Ltd Ord	393,424.86
73,400.00	Shell Transport & Trading Ord	598,701.79
86,000.00	Showa Shell Sekiyu ord	511,827.27
13,950.00	Siemens AG Ord DEM5	1,133,234.96
23,288.00	Singapore Press HG SGD1	412,281.92
186,260.00	Smith David S Hg Ord 10p	561,238.64
12,500.00	Sony Corp.	1,589,165.97
26,620.00	Stora enso Oyj Series 'R' FIM10	334,773.13
17,840.00	St Microelectronic NLG13.75	1,274,529.25
	Acc sale 4,080 ST Microelectronic	(291,484.25)
12,900.00	Suez Lyonnaise Des Ea	2,278,125.12
	Acc purch 31,000 Sumitomo Electric	616,548.00
	Acc purch 18,000 Sumitomo Electric	
40,000.00	Sumitomo Marine & Fire Ins Ord	257,229.19

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PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
782,000.00	Sumitomo Metal Industries Ord JPY50	981,238.00
226,700.00	T.I.M. Spa-Telecom Italia Mobile	1,312,660.99
64,304.00	TNT Post Groep NV NLG1	1,551,987.97
	Acc purch 6,000 TaiwanSemic Manuf	201,596.00
	Acc purch 490 TaiwanSemic Manuf	
34,000.00	Takeda Chemical	1,842,778.88
130,218.00	Tecnost Spa ITL500	323,343.00
149,300.00	TeleCorp of New Zealand Ord NPV	675,369.01
21,022.00	Telefonica SA EUR3.00506	337,046.35
	Rec'd 42,044 Telefonica in 3 for 1 split	674,092.65
19,620.00	Thyssen Krupp AG NPV	458,832.94
81,000.00	Toppan Printing Ord	966,961.83
9,740.00	Total	1,240,537.01
24,000.00	Toyota Motor Co.	844,883.06
7,144.00	UBS United Bank of Switzerland	2,174,835.00
41,000.00	United Overseas Bank Ord SGD1.00 (Foreign)	299,595.20
19,499.00	Utd Pan-Europe Comms EURO.30	1,266,790.99
34,554.00	Vivendi Eur5.50	2,716,402.00
118,409.00	Vodafone Group PLC	2,524,385.21
	Rec'd 118,409 Vodafone Airtouch for 118,409 Vodafone Group	
169,315.00	Williams Plc Ord 28	952,473.09
39,000.00	Yamatake Corp.	455,378.83
340,000.00	Yasuda Fire & Marine Ord	2,073,867.35

141,085,071.13

Inhouse Account 400

125,000.00	AGL Resources, Inc	2,359,375.00
153,240.00	Aceto Corp	1,819,725.00
75,000.00	Aquarion Co.	2,625,000.00
150,000.00	Becton Dickinson	4,115,625.00
100,000.00	Clorox Company	11,200,000.00
50,000.00	Consolidated Natural Gas Co	3,131,250.00
100,000.00	Constellation Energy Group	2,931,250.00
50,000.00	Cordant Technologies Inc.	2,240,625.00
100,000.00	Cross, A.T. Co. Class	500,000.00
60,000.00	Dana Corp	2,505,000.00

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
150,000.00	Eastern Company (The)	2,625,000.00
55,000.00	Eastern Enterprises	2,141,562.50
50,000.00	Eastman Chemical Co.	2,584,375.00
1,592.00	First National Bank of Anchorage	1,639,760.00
150,000.00	Horace Mann Educators	3,778,125.00
110,000.00	Idacorp Inc	3,403,125.00
50,000.00	McKesson HBOC, Inc.	1,553,125.00
100,000.00	Meredith Corp.	3,600,000.00
50,000.00	New Jersey Resources	1,978,125.00
75,000.00	Northern States Power Minn	1,687,500.00
70,000.00	ONEOK, Inc.	2,226,875.00
60,000.00	Otter Tail Power	2,520,000.00
75,000.00	Oxford Industries Inc.	1,870,312.50
120,000.00	Penn Engineering & Manufacturing Corp	2,880,000.00
94,346.00	Pennzoil-Quaker State Company	1,397,500.13
75,000.00	Peoples Energy Corp	2,760,937.50
50,000.00	Phillips Petroleum	2,565,625.00
96,000.00	Preformed Line Products Company	1,806,000.00
100,000.00	Puget Sound Energy Inc	2,331,250.00
170,000.00	Ruddick Corp	3,293,750.00
200,000.00	Technitrol Inc.	6,987,500.00
60,000.00	Texaco Inc	3,738,750.00
100,000.00	True North Communications	3,256,250.00
65,000.00	WD-40	1,669,687.50
75,000.00	Washington Gas Light Co.	2,090,625.00
200,000.00	Williams Companies	8,412,500.00
54,815.00	Canadian National Railway Company	3,672,605.00
75,000.00	Royal Dutch Petroleum Co. NY 1.25 Guilders	4,575,000.00
100,000.00	Shell Canada Ltd - Class A	1,979,800.03
75,000.00	Shell Transport	3,623,437.50
150,000.00	Tranz Rail Holdings - Spon ADR	806,250.00
12,125.00	Royal Caribbean Cruises 7.25% Ser Conv Pfd	1,770,250.00
		<hr/> 124,653,452.66

Silchester International Investors Account 406

8,596,075.20 Silchester International Value Equity Trust
Acc 7/99 activity 45,273 shares

174,510,305.04

(919,095.04)

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
		<u>173,591,210.00</u>
Capital Guardian Trust Company Account 407		
1,153,136.53	Capital Guardian Non-US Equity Fund	26,510,608.58
1,636,316.42	Capital Int'l Emerging Markets Growth Fund	89,882,861.50
		<u>116,393,470.08</u>
Jennison Associates Capital Corp Account 408		
31,800.00	A T & T Corp - Liberty Media Group A	1,176,600.00
15,500.00	Allegiance Telecom, Inc.	779,843.75
22,700.00	AlliedSignal Inc	1,468,406.25
11,600.00	America Online Inc	1,126,650.00
41,400.00	American Home Products	2,111,400.00
23,100.00	American International Group, Inc.	2,682,487.50
	Acc purch 2,200 American Int'l	464,500.00
	Acc purch 1,800 American Int'l	
	Acc purch 400 Amgen Inc	30,750.00
32,600.00	Applied Materials Inc	2,345,162.50
24,300.00	Bristol Myers Squibb Co.	1,615,950.00
84,300.00	CBS Corporation	3,703,931.25
69,550.00	CISCO Systems Inc	4,320,793.75
25,700.00	CVS Corp	1,278,575.00
	Acc purch 1,800 CVS	139,300.00
	Acc purch 1,000 CVS	
47,600.00	Chase Manhattan Corp.	3,668,175.00
	Acc sale 1,000 Chase Manhattan	(107,887.50)
	Acc sale 400 Chase Manhattan	
81,950.00	Citigroup, Inc.	3,651,896.88
	Acc sale 2,300 Citigroup	(102,493.75)
30,800.00	Clear Channel Communications, Inc.	2,142,525.00
48,100.00	Dell Computer Corp	1,966,087.50
30,100.00	EMC Corporation	1,819,168.75
9,400.00	Equant NV - NY Registered Shares	836,012.50
43,462.00	Gap Inc	2,031,848.50
32,300.00	General Electric Co	3,520,700.00
	Acc purch 200 Genetech	28,400.00
23,000.00	Hewlett-Packard Co.	2,407,812.50

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<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
94,900.00	Hibernia Corp Class A	1,352,325.00
35,200.00	Hilton Hotels Corp	462,000.00
49,500.00	Home Depot Inc.	3,158,718.75
	Acc purch 1,600 Home Depot	102,100.00
35,900.00	Intel Corp.	2,477,100.00
28,400.00	International Business Machines	3,569,525.00
12,400.00	Intuit Inc	1,014,475.00
	Acc sale 200 Intuit	(16,362.50)
	Acc purch 3,100 JDS	280,162.50
19,400.00	KLA-Tencor Corp	1,314,350.00
13,800.00	Kimberly Clark Corp.	841,800.00
	Acc purch 600 Kimberly Clark	115,900.00
	Acc purch 1,000 Kimberly Clark	
	Acc purch 300 Kimberly Clark	
31,400.00	Kohls Corp	2,388,362.50
14,000.00	Lilly (Eli) & Co	919,625.00
23,815.00	Lucent Technologies Inc	1,564,347.81
53,550.00	MBNA Corp	1,526,175.00
	Acc sale 1,550 MBNA	(98,325.00)
	Acc sale 1,900 MBNA	
54,200.00	MCI WorldCom, Inc.	4,471,500.00
52,100.00	McDonalds Corp.	2,171,918.75
26,000.00	Merck & Co. Inc.	1,758,250.00
58,300.00	Microsoft Corp	5,002,868.75
22,800.00	Morgan Stanley Dean Witter & Co.	2,057,700.00
	Acc sale 900 Morgan Stanley Dean Witter	(81,225.00)
12,100.00	Motorola Inc	1,104,125.00
5,600.00	NEXTLINK Communications, Inc.	627,900.00
8,100.00	NTL Inc.	841,387.50
30,100.00	Omnicom Group	2,133,337.50
50,800.00	Qwest Communications International, Inc.	1,498,600.00
	Acc sale 2,400 Qwest Communications	(109,150.00)
	Acc sale 1,300 Qwest Communications	
32,000.00	Rational Software Corporation	1,068,000.00
	Acc sale 300 Rational Software	(10,012.50)
42,800.00	Schering-Plough Corp	2,097,200.00
38,100.00	Staples, Inc.	1,100,137.50
8,100.00	Sun Microsystems Inc	549,787.50

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
27,700.00	Tellabs Inc	1,705,281.25
27,400.00	Texas Instruments Inc.	3,945,600.00
29,400.00	The Estee Lauder Companies Inc	1,398,337.50
11,200.00	Tiffany & Co.	563,500.00
2,300.00	Tyco International Ltd - New	224,681.25
	Acc purch 1,500 Tyco Int'l	380,981.25
	Acc purch 1,000 Tyco Int'l	
	Acc purch 1,400 Tyco Int'l	
16,200.00	Univision Communications Inc.	1,121,850.00
17,700.00	Wal-Mart Stores Inc	747,825.00
33,400.00	Warner-Lambert Co.	2,204,400.00
16,500.00	Xerox Corp	806,437.50
	Acc sale 1,800 Xerox	(102,637.50)
	Acc sale 300 Xerox	
22,300.00	Ace, Limited	518,475.00
	Acc sale 100 Ace Ltd	(102,300.00)
	Acc sale 1,900 Ace Ltd	
	Acc sale 1,100 Ace Ltd	
	Acc sale 1,300 Ace Ltd	
14,700.00	Glaxo Wellcome PLC - Spons ADR	767,156.25
	Acc purch 900 Glaxo Wellcome	203,531.25
	Acc purch 2,400 Glaxo Wellcome	
	Acc purch 600 Glaxo Wellcome	
18,900.00	Nokia Corp - Spon ADR A	1,607,681.25
9,000.00	Vodafone Airtouch PLC	1,894,500.00
	Adjustment due to capital change	
		<u>110,246,499.44</u>
Grantham, Mayo, Van Otterloo & Co Account 410		
6,768,269.11	GMO Foreign Fund III	<u>92,792,969.81</u>
City of London Investment Mgmt. Ltd. Account 411		
1,720,281.09	City of London Emerging Markets Country Fund	<u>19,766,946.42</u>
Artisan Partners Limited Partnership Account 412		
11,600.00	AVT Corporation	358,875.00
	Acc purch 500 AVT	15,468.75

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<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
	Acc purch 200 Accrue Software	
	Acc sale 200 Accrue Software	
28,500.00	Actel Corporation	427,500.00
13,100.00	Apex Inc.	342,237.50
14,600.00	Applied Power Inc. - Class A	416,100.00
19,600.00	AptarGroup, Inc	567,175.00
14,200.00	Belden Inc.	353,225.00
9,500.00	Bell & Howell Co. New	345,562.50
11,400.00	Beringer Wine Estates Holdings, Inc. - B	436,050.00
19,900.00	Bright Horizons Family Solutions, Inc.	348,250.00
17,400.00	Burns International Services Corporation	350,175.00
17,700.00	CEC Entertainment Inc	557,550.00
	Acc sale 1,600 CEC Entertainment	(50,400.00)
10,800.00	Carriage Services Inc Class A	178,200.00
17,200.00	Celestial Seasonings Inc	352,600.00
7,000.00	ChoicePoint Inc	464,625.00
	Acc purch 200 ChoicePoint	13,275.00
22,700.00	Clearnet Communications, Inc. - Class A	391,575.00
13,200.00	Com21, Inc.	237,600.00
23,300.00	Community First Bankshares Inc	489,300.00
19,800.00	Core Laboratories N.V.	381,150.00
	Acc purch 200 Creo Products	
	Acc sale 200 Creo Products	
20,300.00	DSP Communications Inc	475,781.25
10,100.00	Dexter Corp	396,425.00
18,800.00	Diamond Technology Partners Inc	470,000.00
31,400.00	Digital Microwave Corporation	372,875.00
11,800.00	Electro Scientific Industries, Inc.	449,875.00
7,200.00	Emmis Communications Corp - Class A	377,100.00
5,500.00	Excel Switching Corp	149,875.00
9,600.00	F.Y.I. Inc	330,000.00
	Acc purch 100 Focal Communications	
	Acc sale 100 Focal Communications	
25,200.00	Gaylord Container Corp - A	195,300.00
16,700.00	Getty Images, Inc.	302,687.50
31,900.00	Gymboree Corp	165,481.25
	Acc purch 2,500 Haverty Furniture	133,087.50
	Acc purch 1,700 Haverty Furniture	

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<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
5,200.00	Heidrick & Struggles International, Inc.	89,050.00
20,800.00	Houston Exploration Co.	417,300.00
27,200.00	Husmann International, Inc.	462,400.00
19,200.00	ITI Technologies, Inc.	460,800.00
18,900.00	ITT Educational Services, Inc.	425,250.00
15,300.00	Imax Corporation	380,587.50
14,500.00	King Pharmaceuticals, Inc.	393,312.50
14,800.00	Littelfuse, Inc	292,300.00
13,500.00	MAF Bancorp Inc.	314,718.75
	Acc purch 2,100 MILX	37,800.00
9,600.00	Mac Dermid Inc.	342,000.00
29,300.00	Marine Drilling Companies, Inc	437,668.75
7,700.00	Medicis Pharmaceutical Corporation	169,400.00
	Acc purch 2,600 Medicis Pharmaceutical	226,600.00
	Acc purch 1,500 Medicis Pharmaceutical	
	Acc purch 1,300 Medicis Pharmaceutical	
	Acc purch 4,900 Medicis Pharmaceutical	
8,400.00	Metro Information Services, Inc.	144,375.00
	Acc purch 1,200 Metro Info Serv	24,062.50
	Acc purch 200 Metro Info Serv	
10,900.00	Midwest Express Holdings, Inc.	362,425.00
19,300.00	Morrison Management Specialists Inc	471,643.75
20,600.00	MotivePower Industries, Inc	364,362.50
	Acc purch 2,300 MotivePower	51,293.75
	Acc purch 600 MotivePower	
26,300.00	NPC International, Inc.	348,475.00
	Acc purch 2,100 NPC International	27,825.00
	Acc purch 200 Net2phone	
	Acc sale 200 Net2phone	
13,500.00	Newfield Exploration Company	390,656.25
	Acc purch 100 Packeteer	
	Acc sale 100 Packeteer	
32,700.00	PairGain Technologies, Inc.	308,606.25
16,800.00	Park-Ohio Holdings Corp	279,300.00
12,100.00	Penn Treaty American Corp	279,056.25
21,800.00	Penton Media, Inc.	422,375.00
13,700.00	Photronics Inc	385,312.50
	Acc sale 1,000 Photronics	(28,125.00)

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PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
31,100.00	Playtex Products, Inc.	497,600.00
14,200.00	Plexus Corporation	454,400.00
17,300.00	Precision Drilling Corporation	395,737.50
24,600.00	Pride International Inc	292,125.00
21,100.00	Regis Corp	443,100.00
19,900.00	Res-Care Inc	417,900.00
15,200.00	Richfood Holdings Inc Class A	276,450.00
8,300.00	Ritchie Bros. Auctioneers Inc.	322,662.50
16,500.00	SMART Modular Technologies, Inc.	307,312.50
	Acc sale 1,000 Smart Modular Tech	(18,625.00)
23,600.00	Service Experts Inc	318,600.00
15,000.00	ShopKo Stores, Inc.	577,500.00
13,900.00	SkyWest, Inc.	373,562.50
15,500.00	StanCorp Financial Group, Inc.	391,375.00
23,300.00	Steel Dynamics, Inc.	413,575.00
30,200.00	Sunterra Corporation	405,812.50
18,600.00	Techne Corporation	558,000.00
32,200.00	Technology Solutions Company	390,425.00
	Acc purch 2,900 Technology Solutions	48,500.00
	Acc purch 1,100 Technology Solutions	
35,700.00	Tekelec	359,231.25
22,875.00	Tetra Tech Inc.	363,140.63
16,400.00	The Men's Wearhouse, Inc.	407,950.00
	Acc purch 1,300 Mens Wearhouse	32,337.50
18,800.00	The Wet Seal, Inc. Class A	451,200.00
10,400.00	Tractor Supply Company	202,800.00
	Acc sale 1,300 Tractor Supply	(37,050.00)
	Acc sale 600 Tractor Supply	
15,600.00	Wild Oats Markets, Inc.	567,450.00
	Acc sale 2,100 Wild Oats Markets	(109,125.00)
	Acc sale 900 Wild Oats Markets	
10,000.00	Young Broadcasting Inc.	530,000.00
		<u>28,709,359.38</u>
TCW Group Account 413		
185,998.47	TCW Small Cap Growth Stock Ltd Ptn	43,346,687.64
	Adjust for 7/99 activity 1.261455 shares	<u>294.77</u>

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
		43,346,982.41
		850,585,961.33

REIT STOCKS

John McStay Investment Counsel Account 415

44,700.00	AMB Property Corp	1,005,750.00
14,800.00	American Health Properties Inc.	272,875.00
17,000.00	Apartment Investment & Management Co.	693,812.50
42,600.00	Archstone Communities Trust	918,562.50
21,400.00	Arden Realty Group, Inc	505,575.00
26,105.00	Avalonbay Communities Inc.	885,938.44
10,700.00	BRE Properties, Inc	268,837.50
7,200.00	Bedford Property Investors, Inc	128,700.00
	Acc sale 2,400 Bedford Property	(42,900.00)
13,600.00	Bradley Real Estate, Inc.	263,500.00
17,500.00	Brandywine Realty Trust	327,031.25
	Acc sale 200 Brandywine Realty	(35,506.25)
	Acc sale 1,400 Brandywine Realty	
	Acc sale 300 Brandywine Realty	
19,300.00	Burnham Pacific Properties, Inc.	243,662.50
	Acc sale 1,700 Burnham Pacific	(21,462.50)
24,900.00	Camden Property Trust	700,312.50
26,300.00	Candlewood Hotel Company, Inc	73,968.75
	Acc sale 1,100 Candlewood Hotel	(7,875.00)
	Acc sale 1,700 Candlewood Hotel	
26,100.00	Captec Net Lease Realty, Inc	331,143.75
	Acc sale 1,000 Captec Net Lease	(12,687.50)
28,600.00	CarrAmerica Realty Corporation	689,975.00
	Acc sale 1,000 CarrAmerica Realty	(24,125.00)
9,100.00	Chateau Properties, Inc	255,937.50
47,300.00	Cornerstone Properties Inc	753,843.75
48,700.00	Crescent Real Estate Equities Company	1,071,400.00
49,800.00	Developers Diversified Realty Corp	753,225.00
	Acc purch 200 Developers Diversified	13,612.50
	Acc purch 700 Developers Diversified	
46,926.00	Duke Realty Investments Inc.	1,026,506.25

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<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
	Acc purch 2,700 Duke Realty	59,062.50
18,000.00	ElderTrust	157,500.00
95,875.00	Equity Office Properties Trust	2,408,859.38
38,600.00	Equity Residential Properties Trust	1,594,662.50
71,278.00	FelCor Lodging Trust Inc.	1,389,921.00
	Acc book value adj	
22,500.00	First Industrial Realty Trust, Inc.	582,187.50
10,600.00	First Washington Realty Trust, Inc.	241,812.50
22,100.00	Franchise Finance Corporation of America	502,775.00
21,600.00	Gables Residential Trust	523,800.00
17,500.00	General Growth Properties	578,593.75
	Acc purch 1,800 General Growth Properties	59,512.50
36,600.00	Glenborough Realty Trust, Inc	640,500.00
12,400.00	Golf Trust of America, Inc	277,450.00
14,200.00	Great Lakes REIT	227,200.00
16,200.00	HRPT Properties Trust	229,837.50
21,200.00	Health Care Property Investors, Inc	559,150.00
	Acc purch 100 Health Care Property	2,637.50
12,400.00	Healthcare Realty Trust, Inc	260,400.00
	Acc sale 200 Healthcare Realty	(60,900.00)
	Acc sale 300 Healthcare Realty	
	Acc sale 1,800 Healthcare Realty	
	Acc sale 600 Healthcare Realty	
31,300.00	Highwoods Properties, Inc	735,550.00
19,000.00	Hilton Hotels Corp	249,375.00
1,600.00	Hospitality Properties Trust	43,600.00
	Acc sale 1,600 Hospitality Properties	(43,600.00)
134,200.00	Host Marriott Corp New	1,383,937.50
18,900.00	IRT Property Company	184,275.00
	Acc sale 2,300 IRT Property	(63,375.00)
	Acc sale 2,700 IRT Property	
	Acc sale 900 IRT Property	
	Acc sale 600 IRT Property	
26,200.00	Innkeepers USA Trust	232,525.00
9,300.00	JDN Realty Corp	198,206.25
	Acc purch 1,200 JDN Realty	25,575.00
4,400.00	JP Realty, Inc	86,900.00
	Acc sale 200 JP Realty	(11,850.00)

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<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
	Acc sale 200 JP Realty	
	Acc sale 200 JP Realty	
22,600.00	Kimco Realty Corporation	847,500.00
18,100.00	LTC Properties Inc	222,856.25
24,800.00	Liberty Property Trust	585,900.00
	Acc sale 3,400 Liberty Property Trust	(80,325.00)
15,200.00	Macerich Company	370,500.00
22,400.00	Mack-Cali Realty Corp	627,200.00
	Acc purch 1,600 Mack Cali Realty	44,800.00
18,300.00	Manufactured Home Communities, Inc.	443,775.00
81,400.00	Meditrust Companies	885,225.00
	Acc purch 7,600 Meditrust	82,650.00
600.00	Meristar Hospitality Corp	11,475.00
	Acc purch 1,700 Meristar Hospitality	32,512.50
29,400.00	Nationwide Health Properties, Inc.	503,475.00
	Acc purch 2,000 Nationwide Health	35,962.50
	Acc purch 100 Nationwide Health	
40,900.00	New Plan Excel Realty Trust	761,762.50
8,500.00	Pan Pacific Retail Properties, Inc	166,812.50
	Acc sale 3,000 Pan Pacific Retail	(58,875.00)
15,700.00	Post Properties, Inc.	628,000.00
82,440.00	Prologis Trust	1,602,427.50
39,234.00	Public Storage, Inc.	1,007,823.38
	Acc purch 700 Public Storage	17,981.24
20,700.00	Reckson Associates Realty Corporation	461,868.75
	Acc purch 700 Reckson Associates	15,618.75
29,000.00	Regency Realty Corp	612,625.00
45,400.00	Rouse Company	1,103,787.50
25,900.00	SL Green Realty Corp	535,806.25
58,000.00	Simon Property Group Inc.	1,540,625.00
	Acc sale 2,500 Simon Property Group	(66,406.25)
11,100.00	Spieker Properties, Inc.	424,575.00
13,800.00	Starwood Hotels & Resorts Worldwide Inc	372,600.00
17,400.00	Storage USA Inc	530,700.00
16,600.00	Taubman Centers, Inc	219,950.00
16,200.00	TrizecHahn Corporation	300,712.50
12,800.00	U.S. Restaurant Properties, Inc	240,000.00
8,900.00	Urban Shopping Centers, Inc	272,562.50

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STATEMENT ATTACHED TO AND MADE PART OF
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FOR THE FISCAL YEAR ENDED JULY 31, 1999

23-1353340

ID #

PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
	Acc sale 1,100 Urban Shopping Centers	(33,687.50)
39,900.00	Ventas, Inc.	177,056.25
25,700.00	Vornado Realty Trust	909,137.50
12,600.00	Walden Residential Properties, Inc.	253,575.00
35,000.00	Westfield America Inc	546,875.00
		<hr/> 41,453,113.44 <hr/>
E.I.I. Realty Securities, Inc	Account 416	
31,300.00	Apartment Investment & Management Co.	1,277,431.25
75,900.00	Arden Realty Group, Inc	1,793,137.50
33,279.00	Avalonbay Communities Inc.	1,129,406.06
31,300.00	BRE Properties, Inc	786,412.50
38,400.00	Boston Properties, Inc.	1,315,200.00
38,800.00	Bradley Real Estate, Inc.	751,750.00
14,100.00	Brandywine Realty Trust	263,493.75
36,500.00	Catellus Development Corp	579,437.50
32,000.00	Charles E. Smith Residential Realty, Inc.	1,084,000.00
45,100.00	Chateau Properties, Inc	1,268,437.50
74,700.00	Cornerstone Properties Inc	1,190,531.25
32,200.00	Developers Diversified Realty Corp	487,025.00
22,200.00	Duke Realty Investments Inc.	485,625.00
115,467.00	Equity Office Properties Trust	2,901,108.38
41,900.00	Equity Residential Properties Trust	1,730,993.75
48,800.00	Federal Realty Investment Tr. SBI	1,104,100.00
66,500.00	Franchise Finance Corporation of America	1,512,875.00
53,900.00	General Growth Properties	1,782,068.75
15,000.00	Highwoods Properties, Inc	352,500.00
	Acc purch 6,200 Highwood Properties	145,700.00
37,500.00	Hilton Hotels Corp	492,187.50
	Acc sale 37,500 Hilton Hotels	(492,187.50)
111,900.00	Host Marriott Corp New	1,153,968.75
65,500.00	Kilroy Realty Corporation	1,473,750.00
50,800.00	Kimco Realty Corporation	1,905,000.00
62,500.00	Liberty Property Trust	1,476,562.50
30,200.00	Macerich Company	736,125.00
35,500.00	Manufactured Home Communities, Inc.	860,875.00
43,600.00	Post Properties, Inc.	1,744,000.00

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
STATEMENT ATTACHED TO AND MADE PART OF
RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX FORM 990
FOR THE FISCAL YEAR ENDED JULY 31, 1999

23-1353340

ID #

PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
75,500.00	Prologis Trust.	1,467,531.25
47,512.00	Public Storage, Inc.	1,220,464.50
13,407.00	Reckson Associates Realty Corp - B	296,629.88
66,900.00	Reckson Associates Realty Corporation	1,492,706.25
	Acc purch 26,100 Rouse	634,556.25
52,900.00	SL Green Realty Corp	1,094,368.75
94,100.00	Simon Property Group Inc.	2,499,531.25
21,800.00	Spieker Properties, Inc.	833,850.00
39,532.00	Starwood Hotels & Resorts Worldwide Inc	1,067,364.00
44,700.00	Sun Communities Inc	1,525,387.50
84,300.00	Taubman Centers, Inc	1,116,975.00
17,300.00	Urban Shopping Centers, Inc	529,812.50
49,600.00	Vornado Realty Trust	1,754,600.00
157,800.00	Wyndham International Inc - Class A	670,650.00
10,000.00	Vornado Realty Trust 6.5% Series A Conv Pfd	498,750.00
		<hr/> 47,994,691.57 <hr/>
Morgan Stanley Asset Management Inc Account 417		
32,100.00	Acadia Realty Trust	164,512.50
24,100.00	Amli Residential Properties Trust	519,656.25
14,000.00	Apartment Investment & Management Co.	571,375.00
72,200.00	Archstone Communities Trust	1,556,812.50
	Acc purch 400 Archstone Communities	8,625.50
100,400.00	Arden Realty Group, Inc	2,371,950.00
	Acc purch 300 Arden Realty Group	28,350.00
	Acc purch 900 Arden Realty Group	
74,200.00	Avalonbay Communities Inc.	2,518,162.50
	Acc purch 300 Avalonbay Communities	33,937.50
	Acc purch 300 Avalonbay Communities	
	Acc purch 400 Avalonbay Communities	
13,100.00	Bedford Property Investors, Inc	234,162.50
	Acc sale 1,300 Bedford Property	(160,874.50)
	Acc sale 7,700 Bedford Property	
29,800.00	Berkshire Realty Co. Inc.	348,287.50
19,100.00	Boston Properties, Inc.	654,175.00
400.00	Brandywine Realty Trust	1,278,225.00
	Adjust market value	4,275.00

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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23-1353340

ID #

PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
184,100.00	Brookfield Properties Corporation	2,140,162.50
156,800.00	Burnham Pacific Properties, Inc.	1,979,600.00
21,300.00	Candlewood Hotel Company, Inc	59,906.25
55,700.00	CarrAmerica Realty Corporation	1,343,762.50
	Acc purch 200 CarrAmerica Realty	14,475.50
	Acc purch 400 Carr America Realty	
44,900.00	Charles E. Smith Residential Realty, Inc.	1,520,987.50
	Acc purch 400 Charles Smith Residential	13,550.50
88,000.00	Chateau Properties, Inc	2,475,000.00
6,800.00	Crescent Real Estate Equities Company	149,600.00
3,800.00	EastGroup Properties, Inc.	70,775.00
105,100.00	Equity Office Properties Trust	2,640,637.50
	Acc purch 700 Equity Office Properties	70,350.50
	Acc purch 300 Equity Office Properties	
	Acc purch 1,800 Equity Office Properties	
29,198.00	Equity Residential Properties Trust	1,206,242.38
	Acc purch 600 Equity Residential Properties	82,624.62
	Acc purch 300 Equity Residential Properties	
	Acc purch 800 Equity Residential Properties	
	Acc purch 300 Equity Residential Properties	
68,800.00	Essex Property Trust, Inc.	2,322,000.00
81,300.00	Federal Realty Investment Tr. SBI	1,839,412.50
3,600.00	Gables Residential Trust	87,300.00
84,500.00	Great Lakes REIT	1,352,000.00
63,900.00	Host Marriott Corp New	658,968.75
10,900.00	Lexford Residential Trust	201,650.00
	Acc purch 400 Lexford Residential	11,100.00
	Acc purch 200 Lexford Residential	
6,100.00	Mack-Cali Realty Corp	170,800.00
13,700.00	Manufactured Home Communities, Inc.	332,225.00
20,900.00	Meditrust Companies	227,287.50
41,800.00	PA Real Estate Investment Trust SBI	843,837.50
87,900.00	Pacific Gulf Properties, Inc.	2,021,700.00
24,700.00	Pan Pacific Retail Properties, Inc	484,737.50
2,600.00	Philips International Realty Corp	43,712.50
2,800.00	Prentiss Properties Trust	64,575.00
	Acc sale 2,800 Prentiss Prop	(64,575.00)
69,900.00	Prime Group Realty Trust	1,179,562.50

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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23-1353340

ID #

PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
34,550.00	Prologis Trust	671,565.63
	Acc purch 500 Prologis Trust	31,100.37
	Acc purch 400 Prologis Trust	
	Acc purch 400 Prologis Trust	
	Acc purch 300 Prologis Trust	
13,900.00	Promus Hotel Corp	374,431.25
	Acc sale 900 Promus Hotel	(24,243.25)
82,456.00	Public Storage, Inc.	2,118,088.50
	Acc purch 1,200 Public Storage	56,512.50
	Acc purch 1,000 Public Storage	
40,000.00	Regency Realty Corp	845,000.00
16,900.00	Rouse Company	410,881.25
3,400.00	SL Green Realty Corp	70,337.50
74,900.00	Security Capital Group Inc - B	1,128,181.25
	Acc sale 100 Security Capital Group	(19,581.25)
	Acc sale 1,200 Security Capital Group	
19,500.00	Shurgard Storage Centers Inc	526,500.00
	Acc sale 300 Shurgard Storage	(64,800.00)
	Acc sale 1,800 Shurgard Storage	
	Acc sale 300 Shurgard Storage	
69,400.00	Simon Property Group Inc.	1,843,437.50
	Acc purch 200 Simon Property Group	15,937.50
	Acc purch 400 Simon Property Group	
14,800.00	Spieker Properties, Inc.	566,100.00
61,121.00	Starwood Hotels & Resorts Worldwide Inc	1,650,267.00
	Acc purch 800 Starwood Hotels & Resorts	32,400.00
	Acc purch 400 Starwood Hotels & Resorts	
8,900.00	Summit Properties Inc	182,450.00
	Acc sale 4,600 Summit Properties	(118,900.00)
	Acc sale 1,200 Summit Properties	
3,200.00	Sun Communities Inc	109,200.00
177,100.00	Taubman Centers, Inc	2,346,575.00
44,600.00	TrizecHahn Corporation	827,887.50
	Acc purch 100 Trizec Hahn	1,856.50
33,900.00	Urban Shopping Centers, Inc	1,038,187.50
4,800.00	Vistana, Inc.	79,950.00
	Acc purch 200 Vistana Inc	3,332.00
11,300.00	Vornado Realty Trust	399,737.50

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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23-1353340

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PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
	Acc purch 400 Vornado Realty	49,524.50
	Acc purch 600 Vornado Realty	
	Acc purch 200 Vornado Realty	
	Acc purch 200 Vornado Realty	
72,700.00	Wellsford Real Properties Inc	736,087.50
162,500.00	Wyndham International Inc - Class A	690,625.00
	Adjust book value	
		<u>52,254,229.50</u>

Inhouse Management REITS Account 418

23,000.00	AMB Property Corp	517,500.00
12,000.00	Amlil Residential Properties Trust	258,750.00
14,000.00	Apartment Investment & Management Co.	571,375.00
26,000.00	Archstone Communities Trust	560,625.00
27,000.00	Arden Realty Group, Inc	637,875.00
24,000.00	Avalonbay Communities Inc.	814,500.00
14,000.00	BRE Properties, Inc	351,750.00
9,000.00	Bedford Property Investors, Inc	160,875.00
12,000.00	Boston Properties, Inc.	411,000.00
5,000.00	Bradley Real Estate, Inc.	96,875.00
6,000.00	Brandywine Realty Trust	112,125.00
14,500.00	Burnham Pacific Properties, Inc.	183,062.50
15,000.00	CarrAmerica Realty Corporation	361,875.00
16,000.00	Charles E. Smith Residential Realty, Inc.	542,000.00
18,000.00	Chateau Properties, Inc	506,250.00
27,000.00	Cornerstone Properties Inc	430,312.50
26,000.00	Crescent Real Estate Equities Company	572,000.00
17,000.00	Developers Diversified Realty Corp	257,125.00
17,000.00	Duke Realty Investments Inc.	371,875.00
10,000.00	EastGroup Properties, Inc.	186,250.00
52,000.00	Equity Office Properties Trust	1,306,500.00
19,500.00	Equity Residential Properties Trust	805,593.75
5,000.00	Essex Property Trust, Inc.	168,750.00
17,000.00	Federal Realty Investment Tr. SBI	384,625.00
15,000.00	FelCor Lodging Trust Inc.	292,500.00
15,000.00	Franchise Finance Corporation of America	341,250.00
11,000.00	Gables Residential Trust	266,750.00

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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FOR THE FISCAL YEAR ENDED JULY 31, 1999

23-1353340

ID #

PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
5,000.00	General Growth Properties	165,312.50
7,000.00	Glenborough Realty Trust, Inc	122,500.00
5,000.00	Golf Trust of America, Inc	111,875.00
6,000.00	Great Lakes REIT	96,000.00
400.00	Healthcare Realty Trust, Inc	8,400.00
16,000.00	Highwoods Properties, Inc	376,000.00
44,000.00	Host Marriott Corp New	453,750.00
16,000.00	IRT Property Company	156,000.00
14,000.00	Kilroy Realty Corporation	315,000.00
10,000.00	Kimco Realty Corporation	375,000.00
15,000.00	Liberty Property Trust	354,375.00
8,500.00	Macerich Company	207,187.50
11,000.00	Mack-Cali Realty Corp	308,000.00
6,000.00	Manufactured Home Communities, Inc.	145,500.00
19,000.00	New Plan Excel Realty Trust	353,875.00
6,000.00	PA Real Estate Investment Trust SBI	121,125.00
8,500.00	Pacific Gulf Properties, Inc.	195,500.00
8,000.00	Pan Pacific Retail Properties, Inc	157,000.00
9,400.00	Post Properties, Inc.	376,000.00
14,000.00	Prentiss Properties Trust	322,875.00
39,000.00	Prologis Trust	758,062.50
28,000.00	Public Storage, Inc.	719,250.00
8,000.00	Reckson Associates Realty Corporation	178,500.00
15,000.00	Regency Realty Corp	316,875.00
15,000.00	Rouse Company	364,687.50
13,000.00	SL Green Realty Corp	268,937.50
6,000.00	Shurgard Storage Centers Inc	162,000.00
33,000.00	Simon Property Group Inc.	876,562.50
11,000.00	Spieker Properties, Inc.	420,750.00
8,000.00	Starwood Hotels & Resorts Worldwide Inc	216,000.00
9,000.00	Storage USA Inc	274,500.00
13,000.00	Summit Properties Inc	266,500.00
5,000.00	Sun Communities Inc	170,625.00
34,000.00	Taubman Centers, Inc	450,500.00
8,000.00	TrizecHahn Corporation	148,500.00
8,400.00	Urban Shopping Centers, Inc	257,250.00
13,000.00	Vornado Realty Trust	459,875.00
40,000.00	Wyndham International Inc - Class A	170,000.00

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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FOR THE FISCAL YEAR ENDED JULY 31, 1999

23-1353340

ID #

PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
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22,670,618.75

164,372,653.26

US TREASURY BONDS & NOTES

Inhouse Account 1000

50,000,000.00	U S Treas Inflation Indx Bond 3.875% 4/15/29	49,443,729.40
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Mellon Bond Associates Account 401

5,000,000.00	U S Treasury Notes 6.250% 5/31/00	5,037,500.00
	Acc sale 5,000,000 UST 6.25% 5/31/00	(5,037,500.00)
5,000,000.00	U S Treasury Notes 5.750% 10/31/00	5,016,400.15
15,000,000.00	U S Treasury Notes 5.625% 11/30/00	15,021,149.83
50,000.00	U S Treasury Bonds 11.750% 2/15/01	54,453.00
	Acc purch 8,000,000 UST 6.25% 4/30/01	8,086,240.00
3,150,000.00	U S Treasury Notes 8.000% 5/15/01	3,274,519.59
1,000,000.00	U S Treasury Notes 6.500% 5/31/01	1,015,000.00
1,000,000.00	U S Treasury Notes 6.625% 6/30/01	1,017,030.03
1,092,000.00	U S Treasury Notes 7.875% 8/15/01	1,137,383.50
26,005,000.00	U S Treasury Notes 7.500% 11/15/01	26,992,409.09
3,600,000.00	U S Treasury Notes 6.625% 3/31/02	3,675,924.04
11,000,000.00	U S Treasury Notes 6.625% 4/30/02	11,242,330.32
3,100,000.00	U S Treasury Notes 6.250% 6/30/02	3,140,206.91
4,900,000.00	U S Treasury Notes 6.375% 8/15/02	4,977,322.14
7,600,000.00	U S Treasury Notes Series A 6.250% 2/15/03	7,697,355.87
4,300,000.00	U S Treasury Bonds 10.750% 2/15/03	4,949,042.08
5,120,000.00	U S Treasury Notes 5.750% 4/30/03	5,101,619.14
8,000,000.00	U S Treasury Notes 5.750% 8/15/03	7,961,279.91
500,000.00	U S Treasury Bonds 12.375% 5/15/04	630,309.98
3,325,000.00	U S Treasury Notes 7.250% 8/15/04	3,512,563.21
8,250,000.00	U S Treasury Bonds 11.625% 11/15/04	10,313,819.90
3,125,000.00	U S Treasury Notes 7.875% 11/15/04	3,390,125.04
5,370,000.00	U S Treasury Bonds 10.750% 8/15/05	6,631,090.86
350,000.00	U S Treasury Notes 6.500% 8/15/05	358,256.50
3,250,000.00	U S Treasury Notes 6.875% 5/15/06	3,394,722.60

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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23-1353340

ID #

PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
5,000,000.00	U S Treasury Notes 7.000% 7/15/06	5,254,700.09
7,980,000.00	U S Treasury Notes 6.625% 5/15/07	8,243,100.37
13,005,000.00	U S Treasury Notes 5.625% 5/15/08	12,635,137.57
		<u>164,723,491.72</u>
Miller, Anderson & Sherrerd, LLP Pr Account 414P		
2,000,000.00	U S Treasury Notes 6.375% 3/31/01	2,024,375.00
3,800,000.00	U S Treasury Notes 6.250% 1/31/02	3,846,322.07
2,425,000.00	U S Treas Inflation Index Nt 3.625% 7/15/02	2,489,818.13
	Adjust for TIPS factor	
4,430,000.00	U S Treas Inflation Index Nt 3.375% 1/15/07	4,451,052.57
	Adjust for TIPS factor	
765,000.00	U S Treas Inflation Index Nt 3.625% 1/15/08	763,383.94
	Adjust for TIPS factor	
2,500,000.00	U S Treasury Bonds 8.750% 8/15/20	3,175,000.00
		<u>16,749,951.71</u>
	Total US Treasury	<u>230,917,172.83</u>

FUTURES & VARIATION MARGIN

Miller, Anderson & Sherrerd, LLP Pr Account 414P	
223.00	June 1999 Muni Bond Futures 25,118.94
	Settle 223 June 1999 Muni Bond Futures (25,118.94)
	Book value 104 Sept 1999 US T Bond Futures
	and (119) Sept 1999 10 yr T Note Futures
	Accrue 7/99 losses
	Accrue 7/99 margin
	<u>0.00</u>

AGENCY BONDS

Mellon Bond Associates Account 401		
10,300,000.00	Federal Home Loan Bank Bond 5.125% 4/17/01	10,158,375.00
5,000,000.00	Federal Home Loan Bank Bond 4.875% 1/22/02	4,857,799.91

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
2,000,000.00	Federal Farm Credit Bank 5.250% 5/1/02	1,962,819.98
11,959.00	Federal Home Loan Mtg Corp 10.500% 11/1/02	12,265.39
3,900,000.00	Federal Home Loan Bank Bond 5.125% 9/15/03	3,723,291.07
9,948,000.00	Federal National Mtg Assoc 5.125% 2/13/04	9,449,008.44
2,590,000.00	Federal National Mtg Assoc 5.875% 4/23/04	2,503,804.72
10,000,000.00	Federal Home Loan Mortgage 6.300% 6/1/04	9,809,400.18
1,500,000.00	Federal Home Loan Mtg Corp 5.750% 4/15/08	1,405,785.03
6,400,000.00	Federal National Mtg Assoc 5.250% 1/15/09	5,753,023.93
		<u>49,635,573.65</u>

MORTGAGE BACKED FUND

Miller, Anderson & Sherrerd, LLP Pr	Account 414P	
8,775,867.51	MAS Advisory Mortgage Portfolio	<u>87,407,640.76</u>

FOREIGN BOND FUND

Miller, Anderson & Sherrerd, LLP Pr	Account 414P	
23,626.02	MAS Advisory Foreign Fixed Portfolio	<u>90,251.38</u>

CORPORATE BONDS

Inhouse	Account 400	
1,250,000.00	BankAtlantic Bancorp Inc Cnv 6.750% 7/1/06	<u>1,493,750.00</u>
Mellon Bond Associates	Account 401	
1,345,000.00	Alabama Power Co. 6.375% 8/1/99	1,345,000.00
1,500,000.00	Internat'l Lease Financing 6.125% 11/1/99	1,502,159.96
900,000.00	Chase Manhattan Corp 7.750% 11/1/99	904,221.02
1,000,000.00	American Home Products 7.700% 2/15/00	1,010,309.98
365,000.00	Commercial Credit Group 6.125% 3/1/00	365,985.49
900,000.00	Norwest Corp 6.000% 3/15/00	903,339.02
500,000.00	Upjohn Co. 5.875% 4/15/00	500,950.01
1,530,000.00	American General Finance 7.250% 4/15/00	1,544,856.31
960,000.00	Fleet Financial Group 7.125% 5/1/00	968,707.18
2,550,000.00	May Department Stores Co. 9.875% 6/15/00	2,637,566.95
2,400,000.00	Oklahoma Gas & Electric 6.250% 10/15/00	2,402,039.98
1,385,000.00	Tennessee Valley Auth Pwr 6.000% 11/1/00	1,385,221.58

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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23-1353340

ID #

PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
150,000.00	Ford Capital BV 10.125% 11/15/00	156,817.50
2,645,000.00	General Motors Corp 9.625% 12/1/00	2,754,502.98
3,200,000.00	Kellogg Co. 5.750% 2/2/01	3,168,000.00
930,000.00	Chrysler Financial 5.875% 2/7/01	926,214.92
2,500,000.00	Allied Signal Inc. 5.750% 3/15/01	2,486,474.99
2,695,000.00	National Westminster Bank 9.450% 5/1/01	2,823,847.90
2,150,000.00	KFW International Finance 9.125% 5/15/01	2,251,093.07
1,000,000.00	International Paper Co. 7.000% 6/1/01	1,010,479.97
450,000.00	Caterpillar Inc 9.375% 7/15/01	473,382.00
1,500,000.00	Lucent Tech Inc 6.900% 7/15/01	1,519,380.00
2,120,000.00	Grand Metro Investment 8.625% 8/15/01	2,207,831.55
1,490,000.00	Associates Corp 7.875% 9/30/01	1,536,651.85
250,000.00	Bet IceCalm BV 8.625% 10/15/01	251,187.50
925,000.00	American Express 6.125% 11/15/01	919,782.97
1,725,000.00	Southern New Eng Telecomm 6.500% 2/15/02	1,730,658.05
1,185,000.00	Honeywell Inc 6.750% 3/15/02	1,189,194.86
1,500,000.00	Penney J.C. & Co. 7.250% 4/1/02	1,512,240.03
1,000,000.00	Republic NY Corp 7.250% 7/15/02	1,016,999.97
800,000.00	Public Service Elec & Gas 6.125% 8/1/02	787,280.03
800,000.00	DuPont (E I) de Nemours 6.500% 9/1/02	805,552.00
300,000.00	Rockwell International 6.750% 9/15/02	302,634.00
735,000.00	Northern Telecom Ltd 6.875% 10/1/02	738,741.17
2,000,000.00	Baxter International 7.625% 11/15/02	2,041,300.05
2,500,000.00	CIT Group Inc 6.375% 11/15/02	2,482,825.09
365,000.00	BankAmerica MTN D92 7.875% 12/1/02	378,800.64
1,865,000.00	Ford Motor Credit 7.500% 1/15/03	1,903,008.74
375,000.00	Baltimore Gas & Electric 6.500% 2/15/03	373,657.49
220,000.00	Dean Witter Discover 6.875% 3/1/03	221,925.00
1,000,000.00	SONY Corp 6.125% 3/4/03	987,509.99
515,000.00	Consolidated Edison Co. 6.375% 4/1/03	510,843.95
3,000,000.00	TCI Communications Inc 6.375% 5/1/03	2,975,909.96
1,000,000.00	Archer Daniels Midland 6.250% 5/15/03	987,959.98
1,100,000.00	General Motors MTN 8.875% 5/15/03	1,166,516.97
2,000,000.00	Asian Development Bank 5.750% 5/19/03	1,961,560.06
345,000.00	New York Telephone Co. 5.875% 9/1/03	336,471.60
315,000.00	Commercial Credit 5.900% 9/1/03	306,558.00
1,460,000.00	Toyota Motor Company 5.625% 11/13/03	1,403,731.65
1,200,000.00	Nike Inc 6.375% 12/1/03	1,169,808.01

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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23-1353340

ID #

PART IV. INVESTMENTS-SECURITIES. LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
1,800,000.00	Associates Corp NA 5.500% 2/15/04	1,695,006.00
2,700,000.00	Ford Motor Credit Co. 5.750% 2/23/04	2,573,856.08
500,000.00	Wal Mart Stores 7.500% 5/15/04	519,155.01
630,000.00	Hartford Life Inc 6.900% 6/15/04	630,107.09
790,000.00	Marsh & McLennan Cos Inc 6.625% 6/15/04	783,529.90
290,000.00	Nationsbank 7.750% 8/15/04	302,806.40
380,000.00	J.P. Morgan 7.625% 9/15/04	389,853.41
2,000,000.00	General Electric Cap Corp 7.375% 9/15/04	2,056,959.99
1,385,000.00	Abbey National First Capital 8.200% 10/15/04	1,453,446.72
1,335,000.00	Union Electric 7.375% 12/15/04	1,370,644.48
852,000.00	Southwestern Bell Telephone 6.625% 4/1/05	853,192.79
335,000.00	Nationsbank 7.625% 4/15/05	344,316.34
1,000,000.00	Norwest Financial Inc 7.500% 4/15/05	1,016,709.98
570,000.00	First Bank System 7.625% 5/1/05	585,982.80
350,000.00	Abbott Laboratories 6.800% 5/15/05	351,337.01
1,560,000.00	A T & T 7.000% 5/15/05	1,577,612.37
500,000.00	Carnival Corp 7.050% 5/15/05	497,350.01
1,500,000.00	Reed Elsevier Capital MTN 7.000% 5/15/05	1,484,520.03
650,000.00	BankAmerica 6.750% 9/15/05	637,442.01
350,000.00	Emerson Electric 6.300% 11/1/05	343,735.00
1,000,000.00	Merrill Lynch Co. 6.250% 1/15/06	958,040.01
200,000.00	Pacific Bell 5.875% 2/15/06	191,175.99
1,500,000.00	Province of Ontario 6.000% 2/21/06	1,431,600.04
855,000.00	Finland Republic 5.875% 2/27/06	817,790.42
1,245,000.00	Disney Global 6.750% 3/30/06	1,233,546.02
875,000.00	Sysco Corp 7.000% 5/1/06	875,455.02
1,125,000.00	Santander Financial 7.250% 5/30/06	1,123,796.22
1,235,000.00	ABN Amro Bank NV 7.550% 6/28/06	1,261,120.22
915,000.00	Union Bank Switzerland 7.250% 7/15/06	905,914.08
1,310,000.00	Aetna Services Inc 7.125% 8/15/06	1,288,489.82
1,030,000.00	Daimler-Benz NA 7.375% 9/15/06	1,052,732.11
460,000.00	Deutsche Bank Financial 6.700% 12/13/06	449,001.41
1,325,000.00	Province of Quebec 7.000% 1/30/07	1,321,594.70
1,200,000.00	Chase Manhattan 7.125% 2/1/07	1,195,415.95
1,300,000.00	Sherwin Williams 6.850% 2/1/07	1,253,121.96
1,275,000.00	Citigroup Inc 8.625% 2/1/07	1,361,878.54
1,000,000.00	Bear Stearns Cos 7.000% 3/1/07	968,089.98
1,000,000.00	Household Finance Corp 6.875% 3/1/07	972,799.99

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PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
1,000,000.00	Banc One Corp 7.600% 5/1/07	1,025,709.99
1,275,000.00	Sears Roebuck Acceptance 7.000% 6/15/07	1,259,572.51
1,325,000.00	Wisconsin Power & Light 7.000% 6/15/07	1,312,677.50
1,000,000.00	Gap Inc 6.900% 9/15/07	1,002,689.97
840,000.00	Warner Lambert Co. 6.000% 1/15/08	794,497.20
870,000.00	GMAC 6.125% 1/22/08	806,576.99
1,000,000.00	Ontario Hydro 6.100% 1/30/08	941,579.97
1,120,000.00	Wells Fargo & Co. 6.250% 4/15/08	1,055,084.83
575,000.00	First Union Corp 6.300% 4/15/08	539,970.98
1,000,000.00	Manitoba (Province of) 5.500% 10/1/08	907,740.02
1,500,000.00	Coca Cola Enterprises 5.750% 11/1/08	1,363,125.00
760,000.00	GTE North Inc 5.650% 11/15/08	693,500.00
1,100,000.00	US West Communications 5.625% 11/15/08	980,375.00
1,000,000.00	National Rural Utilities 5.750% 12/1/08	918,460.01
1,080,000.00	US Bank NA 5.700% 12/15/08	967,356.00
1,500,000.00	IBM Corp 5.375% 2/1/09	1,348,589.97
850,000.00	Wachovia Corp 6.150% 3/15/09	790,729.50
1,000,000.00	Goldman Sachs Group 6.650% 5/15/09	951,999.97
		<u>121,037,053.28</u>

Miller, Anderson & Sherrerd, LLP Pr Account 414P

615,000.00	Prime Property FNDG II 6.800% 8/15/02	607,386.31
80,000.00	Oil Purchase Co. II 10.730% 1/31/04	78,216.80
825,000.00	Florida Res Prop & Cas 7.450% 7/1/04	821,584.49
430,000.00	Rogers Cablesystems 10.000% 3/15/05	461,175.00
240,000.00	American Standard Co. 7.375% 4/15/05	230,553.61
85,000.00	Columbia/HCA Healthcare 6.910% 6/15/05	77,926.30
595,000.00	HMH Properties 7.875% 8/1/05	560,567.33
640,000.00	GS Escrow Corp 7.125% 8/1/05	600,735.99
455,000.00	Lenfest Communications 8.375% 11/01/05	476,557.90
470,000.00	Orange PLC 8.750% 6/1/06	470,615.68
150,000.00	Comcast Cable Communications 8.375% 5/1/07	159,113.99
395,000.00	Hyundai Semicon 8.625% 5/15/07	313,424.60
135,000.00	Union Pacific 6.790% 11/9/07	130,275.00
530,000.00	CSC Holdings Inc 7.875% 12/15/07	516,087.50
315,000.00	Union Pacific Corp 6.625% 2/1/08	300,944.71
390,000.00	Lenfest Communications 7.625% 2/15/08	395,463.90

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PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
150,000.00	Fred Meyer Inc. 7.450% 3/1/08	150,456.00
440,000.00	Grupo Minero Mexico SA 8.250% 4/1/08	370,154.40
870,000.00	Equitable Companies Inc 6.500% 4/1/08	831,137.08
480,000.00	Tenet Healthcare Corp Ser B 7.625% 6/1/08	443,020.79
550,000.00	Endesa SA 7.750% 7/15/08	511,483.51
230,000.00	Edison Mission Energy Fdg 7.330% 9/15/08	223,378.31
600,000.00	Qwest Communications Int'l 7.500% 11/1/08	594,396.01
320,000.00	Comcast Cable Communications 6.200% 11/15/08	296,313.60
490,000.00	CMS Energy Corp 7.500% 1/15/09	455,677.94
	Adjust market value to manager	787.06
685,000.00	Household Finance Corp 5.875% 2/1/09	614,629.93
250,000.00	Bankamerica Corp 5.875% 2/15/09	226,140.00
560,000.00	PNC Funding Corp 6.125% 2/15/09	513,178.40
320,000.00	Chase Manhattan Corp 6.000% 2/15/09	292,380.81
320,000.00	Goldman Sachs Group 6.500% 2/25/09	300,483.20
495,000.00	Republic of Argentina 11.750% 4/7/09	439,055.09
115,000.00	Multicanal SA 13.125% 4/15/09	99,913.15
250,000.00	El Paso Energy Corp 6.750% 5/15/09	237,125.00
305,000.00	Int'l Game Technology 8.375% 5/15/09	295,578.56
235,000.00	Edison Mission Energy 7.730% 6/15/09	236,252.54
370,000.00	Southern Energy 7.900% 7/15/09	363,014.40
295,000.00	Sun Microsystems 7.65% 8/15/09	293,663.65
1,430,000.00	World Financial 6.950% 9/1/13	1,380,421.86
960,000.00	Scotia Pacific Co. LLC 7.710% 1/20/14	681,600.00
595,000.00	Paiton Energy 9.340% 2/15/14	71,400.00
1,055,000.00	RAS Laffan Liq Nat Gas 8.294% 3/15/14	952,759.93
500,000.00	Glencore Nickel Property Ltd 9.000% 12/1/14	425,000.00
260,000.00	Columbia/HCA Healthcare 9.000% 12/15/14	255,715.19
200,000.00	Lehman Brothers Holdings 8.800% 3/1/15	211,514.01
100,000.00	Lehman Brothers Holdings 8.500% 8/1/15	103,188.00
230,000.00	Columbia/HCA Healthcare 7.190% 11/15/15	187,337.29
285,000.00	Oxymar 7.500% 2/15/16	211,185.00
505,000.00	Republic of Columbia 8.700% 2/15/16	351,313.36
250,000.00	National Power Corp 8.400% 12/15/16	205,167.50
775,000.00	Petrozuata Finance Inc 8.220% 4/1/17	584,877.02
835,000.00	Hutchison Whampo Fin 7.450% 8/1/17	695,563.37
320,000.00	Multicanal SA 10.500% 4/15/18	235,024.00
125,000.00	Associates Corp NA 6.950% 11/1/18	117,311.25

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
315,000.00	Saks Inc 7.375% 2/15/19	291,031.65
430,000.00	Florida Winstorm Under 7.125% 2/25/19	404,767.62
658,181.40	Continental Airlines 6.648% 3/15/19	617,203.04
925,000.00	Dr Structured Finance 9.350% 8/15/19	935,674.49
700,000.00	United Mexican St Ser A 6.250% 12/31/19	496,125.00
295,000.00	United Mexican States 6.250% 12/31/19	209,081.25
295,000.00	Continental Airlines 6.545% 8/2/20	273,777.70
490,000.00	Rhone-Poulenc Rorer Inc 8.620% 1/5/21	491,249.49
80,000.00	News America Holdings 8.875% 4/26/23	86,030.40
650,000.00	Metropolitan Life 7.450% 11/1/23	609,238.48
555,000.00	Time Warners Cos Inc 7.570% 2/1/24	544,110.91
650,000.00	Nationwide Mutual Insurance 7.500% 2/15/24	609,336.02
640,000.00	Prudential Insurance Co. 8.300% 7/1/25	685,779.20
375,000.00	Columbia/HCA Healthcare 7.580% 9/15/25	306,164.99
315,000.00	First Chicago NBD Instit 7.950% 12/1/26	306,743.84
625,000.00	BT Instl Cap Trust A 8.090% 12/1/26	597,200.01
575,000.00	First Union Inst Cap I 8.040% 12/1/26	559,440.49
720,000.00	BANKAMERICA INSTIT-A 8.070% 12/31/26	699,084.01
450,000.00	Great Western Fin'l Series A 8.206% 2/1/27	438,808.50
685,000.00	Israel Electric 7.750% 12/15/27	614,150.43
160,000.00	Union Pacific Co 7.125% 2/1/28	147,208.00
490,000.00	GTE Corp 6.940% 4/15/28	457,214.09
685,000.00	News America Inc 7.280% 6/30/28	620,459.32
945,000.00	Farmers Exchange Capital 7.050% 7/15/28	842,382.44
610,000.00	USA Waste Services 7.000% 7/15/28	501,438.32
445,000.00	Enron Corp 6.950% 7/15/28	397,598.60
210,000.00	Enron Corp 6.950% 7/15/28	187,630.80
70,000.00	Cox Communications Inc 6.800% 8/1/28	61,000.10
985,000.00	Worldcom Inc. 6.950% 8/15/28	920,147.60
585,000.00	Ford Motor Global 6.625% 10/1/28	515,929.05
420,000.00	Tennessee Gas Pipeline 7.000% 10/15/28	377,500.19
795,000.00	Monsanto Company 6.600% 12/01/28	686,498.38
285,000.00	Union Pacific Corp 6.625% 2/1/29	245,689.95
435,000.00	Lowes Companies Inc 6.500% 3/15/29	380,272.64
825,000.00	A T & T Corp 6.500% 3/15/29	735,339.03
430,000.00	Federated Department Stores 6.900% 4/1/29	386,810.81
755,000.00	Conoco Inc 6.950% 4/15/29	698,186.24
645,000.00	EOP Operating LP 7.500% 4/19/29	579,203.57

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
565,000.00	Ahold Finance USA Inc 6.875% 5/1/29	514,415.53
650,000.00	Delphi Auto Systems Corp 7.125% 5/1/29	589,751.52
340,000.00	Time Warner Inc 6.625% 5/15/29	296,068.61
210,000.00	Waste Management Inc 7.375% 5/15/29	180,702.91
380,000.00	Rohm & Haas Co. 7.850% 7/15/29	382,606.79
600,000.00	Albertson's Inc 7.450% 8/1/29	593,614.75
385,000.00	Hypovereinsbank Series 144A 8.741% 6/30/31	376,903.46
155,000.00	Endesa - Chile 7.325% 2/1/37	139,109.40
508,594.24	Oil Purchase Company 7.100% 4/30/02	476,059.45
	38,403 Paydown Oil Purchase 7.1% 4/30/02	(35,947.45)
900,000.00	Dollar Thrifty 6.450% 8/25/04	878,660.98
293,128.57	Global Rates Eligible Asset 7.450% 3/15/06	73,282.14
336,541.77	Smart (CFS) 7.710% 4/15/06	84,135.44
		<u>43,723,096.50</u>
		<u>166,253,899.78</u>

REAL ESTATE INVESTMENTS

Copley Account 380	
10,000,000.00	CIIF Corp (Real Estate) 1,345,780.94
JMB Account 398	
10,000,000.00	JMB III Endowment 4,403,277.93
	<u>5,749,058.87</u>

TOTAL PRINCIPAL FUND INVESTMENTS	<u>4,051,173,060.12</u>
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INCOME FUND

CONTROLLED COMPANIES

24,666.00	Hershey Trust Company	<u>30,277,964.75</u>
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STOCKS

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
Inhouse Account 400		
200,000.00	ABM Industries Inc.	5,562,500.00
73,004.00	Affiliated Computer Services, Inc	3,394,686.00
100,000.00	Air Express International Corp	2,675,000.00
100,000.00	Albemarle Corporation	1,793,750.00
75,000.00	Allergan Inc.	7,087,500.00
147,000.00	Alltel Corp.	10,556,437.50
100,000.00	Amcast Industrial Corp.	1,831,250.00
45,000.00	American General Corp	3,481,875.00
200,000.00	American Home Products	10,200,000.00
100,000.00	Amerus Life Holdings, Inc. - A	2,756,250.00
60,000.00	Arrow International, Inc.	1,627,500.00
85,000.00	Arvin Industries Inc	3,176,875.00
110,000.00	Authentic Fitness Corporation	1,931,875.00
47,500.00	Autodesk Inc	1,258,750.00
60,000.00	Badger Meter Inc.	2,280,000.00
100,000.00	Ballard Medical Products	2,425,000.00
35,000.00	Bank One Corporation	1,909,687.50
75,000.00	Bard, C.R. Inc.	3,646,875.00
120,000.00	Barnes Group Inc.	2,377,500.00
50,000.00	Bausch & Lomb Inc.	3,590,625.00
50,000.00	Bemis Company Inc	1,850,000.00
133,333.00	Bindley Western Industries, Inc.	2,883,326.13
90,000.00	Blount International Inc., Class A	2,542,500.00
100,000.00	Boeing Company	4,537,500.00
135,000.00	Boston Acoustics Inc.	2,497,500.00
50,000.00	Bowater, Inc.	2,487,500.00
88,000.00	Bryn Mawr Bank Corp.	2,376,000.00
50,000.00	CNF Transportation	2,125,000.00
50,000.00	Campbell Soup	2,200,000.00
50,000.00	Carpenter Technology Corp	1,325,000.00
125,000.00	Carter Wallace	2,304,687.50
175,000.00	Centris Group Inc	1,640,625.00
100,000.00	ChemFirst Inc	2,550,000.00
75,000.00	Cincinnati Bell Inc.	1,593,750.00
	Acc purch 25,000 Cincinnati Bell	530,687.50
54,685.00	Codorus Valley Bancorp Inc	984,330.00
75,000.00	Commerce Group Inc	1,912,500.00

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PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
50,000.00	Compaq Computer Corp.	1,203,125.00
	Acc purch 25,000 Compaq Computer	613,500.00
80,000.00	Conagra Inc	2,045,000.00
75,000.00	Courier Corp	1,781,250.00
100,000.00	Cubic Corp.	2,512,500.00
100,000.00	D&E Communications, Inc.	2,162,500.00
80,000.00	Danaher Corporation	4,565,000.00
75,000.00	Dentsply International Inc.	2,029,687.50
100,000.00	Diamond Offshore Drilling Inc	3,200,000.00
20,000.00	Donaldson, Lufkin & Jenrette	1,033,750.00
50,000.00	Donnelley & Sons Co., R. R.	1,750,000.00
90,000.00	Edwards, A.G. Inc.	2,491,875.00
90,000.00	El Paso Energy Corp	3,240,000.00
2,700.00	Elmira Savings Bank, FSB	63,450.00
100,000.00	Empire District Electric Co	2,606,250.00
50,000.00	EnergyNorth Inc.	2,100,000.00
75,000.00	Equitable Resources Inc	2,779,687.50
12,300.00	Equity Income Fund 1st Exchange Ser AT&T(UIT)	2,539,950.00
41,895.00	F & M Bancorp	1,262,086.88
300,000.00	Family Dollar Stores	6,281,250.00
10,000.00	Farmer Brothers Co	1,972,500.00
525.00	Farmers & Merchants Bank of Long Beach	1,443,750.00
50,000.00	First Virginia Banks Inc	2,400,000.00
75,000.00	Fleetwood Enterprises Inc.	1,729,687.50
125,000.00	Flowers Industries Inc	2,085,937.50
30,000.00	Franklin Electric Co Inc	2,115,000.00
173,250.00	Fremont General	2,945,250.00
100,000.00	Frontier Corp	5,543,750.00
100,000.00	Garan Inc	3,187,500.00
50,000.00	General Dynamics Corp	3,365,625.00
25,000.00	General Mills Inc.	2,070,312.50
80,000.00	Genuine Parts Co.	2,485,000.00
166,132.00	Guilford Mills, Inc.	1,557,487.50
50,000.00	H. J. Heinz Co.	2,356,250.00
1,000.00	Harsco Corp	28,750.00
112,500.00	Hasbro Inc.	2,925,000.00
50,000.00	Hormel Foods Corp	1,971,875.00
52,000.00	International Aluminum Corp	1,423,500.00

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
STATEMENT ATTACHED TO AND MADE PART OF
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FOR THE FISCAL YEAR ENDED JULY 31, 1999

23-1353340

ID #

PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
75,000.00	International Multifoods Corp	1,753,125.00
94,500.00	Intimate Brands Inc	4,069,406.25
231,900.00	JLG Industries	4,623,506.25
67,500.00	Jefferson Pilot Corp	4,931,718.75
50,000.00	Johnson Controls Inc.	3,428,125.00
100,000.00	Jostens Inc Minn	2,025,000.00
210,000.00	K-Swiss Inc Class A	6,811,875.00
60,000.00	Kenan Transport Co.	1,830,000.00
99,000.00	Keystone Financial Inc	2,889,562.50
50,000.00	Knight-Ridder, Inc.	2,690,625.00
100,000.00	Lance Inc	1,468,750.00
100,000.00	Limited Inc.	4,568,750.00
75,000.00	Lincoln Electric Holdings	1,420,312.50
55,000.00	Liqui-Box Corporation	2,983,750.00
75,000.00	Liz Claiborne Inc.	2,910,937.50
100,000.00	Longs Drug Stores	3,443,750.00
60,000.00	Lufkin Industries	990,000.00
60,000.00	Mac Dermid Inc.	2,137,500.00
60,000.00	Mallinckrodt Inc	2,032,500.00
50,000.00	Martin Marietta Materials	2,721,875.00
50,000.00	Matthews International Corp-Class A	1,525,000.00
85,000.00	McCormick & Co	2,810,312.50
100,000.00	McGraw Hill Companies	5,087,500.00
63,670.00	Metris Companies Inc.	2,503,026.88
100,000.00	Mississippi Chemical Corp	950,000.00
119,000.00	Morgan Keegan, Inc.	2,067,625.00
35,000.00	Morgan Stanley Dean Witter & Co.	3,158,750.00
50,000.00	Murphy Oil Corp	2,475,000.00
100,000.00	Myers Industries Inc	2,375,000.00
75,000.00	Nalco Chemical Co.	3,857,812.50
75,000.00	National Service Industries	2,648,437.50
50,000.00	Nike Inc - Class B	2,600,000.00
50,000.00	Norfolk Southern Corp	1,462,500.00
75,000.00	Nymagic, Inc.	1,068,750.00
100,000.00	OGE Energy Corp	2,368,750.00
159,393.00	Old Kent Financial Corp	6,664,619.81
100,000.00	Old Republic International Corp	1,681,250.00
125,000.00	Omnicom Group	8,859,375.00

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23-1353340

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
100,000.00	Park Electrochemical Corp	3,075,000.00
50,000.00	Pharmacia & Upjohn Inc	2,690,625.00
25,000.00	Phelps Dodge Corp	1,482,812.50
100,000.00	Phoenix Investment Partners, Ltd	887,500.00
75,000.00	Piedmont Natural Gas, Inc.	2,554,687.50
58,000.00	Pitt-DesMoines Inc.	1,696,500.00
25,000.00	Polaris Industries Inc	984,375.00
100,000.00	Providence Energy	2,925,000.00
150,000.00	Quaker Chemical Corp	2,418,750.00
27,500.00	Roadway Express Inc	599,843.75
168,750.00	Roanoke Electric Steel Corp	2,805,468.75
50,000.00	Ross Stores, Inc.	2,406,250.00
100,000.00	Russell Corp	1,918,750.00
75,000.00	SBC Communications Inc	4,284,375.00
125,000.00	SL Industries, Inc.	1,539,062.50
44,000.00	Safeco Corp.	1,674,750.00
100,000.00	Sante Fe International Corp	2,087,500.00
135,000.00	Sara Lee Corp.	2,970,000.00
75,000.00	Sbarro, Inc.	2,062,500.00
40,000.00	Schlumberger Ltd	2,422,500.00
85,000.00	Schulman (A), Inc.	1,641,562.50
120,000.00	Schultz Sav-O-Stores	1,965,000.00
100,000.00	Seacoast Financial Services Corp	1,181,250.00
100,000.00	Selective Insurance Group, Inc.	1,975,000.00
100,000.00	Skyline Corp	3,031,250.00
60,000.00	Smith Investment Co.	2,992,500.00
100,000.00	Smucker Co. (J.M.) Class B	2,106,250.00
60,000.00	Southdown, Inc.	3,540,000.00
100,000.00	Sprint Corp	5,168,750.00
25,000.00	Sprint PCS	1,515,625.00
75,000.00	Standard Register Company	2,179,687.50
39,800.00	Starrett, L.S. Co.	1,104,450.00
10,200.00	Starrett, L.S. Co. Class	283,050.00
60,000.00	Stepan Co	1,496,250.00
150,000.00	Stephan Company (The)	600,000.00
55,000.00	Stone & Webster, Inc.	1,392,187.50
200,000.00	Stride Rite Corp	1,825,000.00
75,000.00	Superior Industries International, Inc.	2,076,562.50

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PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
106,587.00	Susquehanna Bancshares, Inc.	1,911,904.31
95,000.00	Tandy Corp.	4,874,687.50
70,000.00	Tech/Ops Sevcon Inc.	918,750.00
45,000.00	Tennant Co.	1,541,250.00
40,000.00	Textron Inc.	3,290,000.00
65,000.00	Thomas & Betts Corp	2,941,250.00
75,000.00	Trinity Industries, Inc	2,493,750.00
70,000.00	Twin Disc Inc	1,382,500.00
160,000.00	Uni Marts Inc	260,000.00
40,000.00	Union Pacific Corp	2,172,500.00
120,000.00	United Bankshares, Inc.	3,030,000.00
50,000.00	Universal Corp VA	1,503,125.00
135,000.00	Universal Foods Corp	2,944,687.50
100,000.00	Universal Forest Products Inc	1,862,500.00
50,000.00	VF Corp	1,975,000.00
103,125.00	Varlen Corp	3,905,859.38
100,000.00	Wallace Computer Services	2,431,250.00
150,000.00	Warner-Lambert Co.	9,900,000.00
50,000.00	Weis Markets, Inc.	1,887,500.00
100,000.00	Wendy's International Inc	2,937,500.00
75,000.00	Westvaco Corp	2,207,812.50
175,000.00	World Fuel Services Corp	2,417,187.50
236,250.00	Wynns International Inc.	4,577,343.75
40,000.00	XL Capital Ltd. - Class A	2,100,000.00
90,000.00	Allied Irish Banks - Spons ADR	2,430,000.00
50,000.00	Autoliv, Inc	1,775,000.00
19,850.00	BP Amoco Plc- Spons ADR	2,300,118.75
50,000.00	Potash Corp of Saskatchewan	2,565,625.00
75,000.00	Puerto Rican Cement	2,817,187.50
154,050.00	Repsol SA	3,186,909.38
27,500.00	SCOR ADS	1,349,218.75
162,000.00	Velcro Industries NV	2,065,500.00
75,000.00	Volvo AB - Sponsored ADR	2,315,625.00
		<u>477,499,823.77</u>

US TREASURY BONDS & NOTES

MILTON HERSHEY SCHOOL AND SCHOOL TRUST
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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
Mellon Bond Associates Account 401		
250,000.00	U S Treasury Bonds 11.750% 2/15/01	272,265.00
600,000.00	U S Treasury Notes 8.000% 5/15/01	623,718.02
9,700,000.00	U S Treasury Notes 6.375% 8/15/02	9,853,066.28
2,180,000.00	U S Treasury Notes 5.750% 4/30/03	2,172,173.77
1,475,000.00	U S Treasury Notes 7.875% 11/15/04	1,600,139.02
1,750,000.00	U S Treasury Notes 6.875% 5/15/06	1,827,927.55
1,750,000.00	U S Treasury Notes 7.000% 7/15/06	1,839,145.03
2,000,000.00	U S Treasury Notes 5.625% 5/15/08	1,943,119.96
		<hr/> 20,131,554.63 <hr/>
Miller, Anderson & Sherrerd, LLP Inc Account 414I		
1,500,000.00	U S Treasury Notes 6.250% 1/31/02	1,518,285.03
800,000.00	U S Treas Inflation Index Nt 3.625% 7/15/02	821,383.30
	Adjust for TIPS factor	
935,000.00	U S Treas Inflation Index Nt 3.375% 1/15/07	939,443.38
	Adjust for TIPS factor	
340,000.00	U S Treas Inflation Index Nt 3.625% 1/15/08	339,281.75
	Adjust for TIPS factor	
550,000.00	U S Treasury Strips % 2/15/19	157,932.48
350,000.00	U S Treasury Bonds 8.750% 8/15/20	444,500.00
		<hr/> 4,220,825.94 <hr/>
		<hr/> 24,352,380.57 <hr/>

FUTURES & VARIATION MARGIN

Miller, Anderson & Sherrerd, LLP Inc Account 414I	
34.00	June 1999 Muni Bond Futures 3,829.79
1.00	June 1999 Muni Bond Futures 112.64
	Settled 35 June 1999 Muni Bond Futures (3,942.43)
	Book Value 18 Treasury Bond Futures &
	(17) 10 year Treasury Futures
	Accrue 7/99 losses
	Accrue 7/99 margin

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
		0.00
<u>MORTGAGE BACKED FUND</u>		
Miller, Anderson & Sherrerd, LLP Inc Account 414I		
2,384,272.94 MAS Advisory Mortgage Portfolio		23,747,358.56
<u>FOREIGN BOND FUND</u>		
Miller, Anderson & Sherrerd, LLP Inc Account 414I		
6,336.96 MAS Advisory Foreign Fixed Portfolio		24,207.20
<u>CORPORATE BONDS</u>		
Mellon Bond Associates Account 401		
100,000.00 Honeywell Inc	6.750% 3/15/02	100,354.00
285,000.00 Morgan Stanley Group	8.100% 6/24/02	296,904.46
30,000.00 Rockwell International	6.750% 9/15/02	30,263.40
350,000.00 Weyerhaeuser	9.050% 2/1/03	376,922.00
400,000.00 Dean Witter Discover	6.875% 3/1/03	403,500.00
300,000.00 Lilly (Eli) & Co Notes	6.250% 3/15/03	299,580.00
330,000.00 Bank One Cleveland Sub	6.625% 4/15/03	327,515.11
235,000.00 Bell Atlantic NJ	5.875% 2/1/04	226,925.41
500,000.00 Wal Mart Stores	7.500% 5/15/04	519,155.01
1,000,000.00 Pacific Bell	5.875% 2/15/06	955,879.97
		3,536,999.36
Miller, Anderson & Sherrerd, LLP Inc Account 414I		
170,000.00 Prime Property FNDG II	6.800% 8/15/02	167,895.40
155,000.00 Oil Purchase Co. II	10.730% 1/31/04	151,545.06
225,000.00 Florida Res Prop & Cas	7.450% 7/1/04	224,068.50
115,000.00 Rogers Cablesystems	10.000% 3/15/05	123,337.50
165,000.00 HMM Properties	7.875% 8/1/05	155,451.45
150,000.00 GS Escrow Corp	7.125% 8/1/05	140,797.50
140,000.00 Lenfest Communications	8.375% 11/01/05	146,633.20
125,000.00 Orange PLC	8.750% 6/1/06	125,163.75
40,000.00 Comcast Cable Communications	8.375% 5/1/07	42,430.40

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
110,000.00	Hyundai Semicon 8.625% 5/15/07	87,282.80
40,000.00	Union Pacific 6.790% 11/9/07	38,600.00
145,000.00	CSC Holdings Inc 7.875% 12/15/07	141,193.75
110,000.00	Union Pacific Corp 6.625% 2/1/08	105,091.80
90,000.00	Lenfest Communications 7.625% 2/15/08	91,260.90
40,000.00	Fred Meyer Inc. 7.450% 3/1/08	40,121.60
120,000.00	Grupo Minero Mexico SA 8.250% 4/1/08	100,951.20
235,000.00	Equitable Companies Inc 6.500% 4/1/08	224,502.54
130,000.00	Tenet Healthcare Corp Ser B 7.625% 6/1/08	119,984.80
150,000.00	Endesa SA 7.750% 7/15/08	139,495.50
100,000.00	Edison Mission Energy Fdg 7.330% 9/15/08	97,121.00
185,000.00	Qwest Communications Int'l 7.500% 11/1/08	183,272.10
90,000.00	Comcast Cable Communications 6.200% 11/15/08	83,338.20
135,000.00	CMS Energy Corp 7.500% 1/15/09	125,543.92
	Adjust market value to manager	217.08
190,000.00	Household Finance Corp 5.875% 2/1/09	170,481.30
150,000.00	PNC Funding Corp 6.125% 2/15/09	137,458.50
90,000.00	Chase Manhattan Corp 6.000% 2/15/09	82,232.10
100,000.00	Goldman Sachs Group 6.500% 2/25/09	93,901.00
130,000.00	Republic of Argentina 11.750% 4/7/09	115,307.40
35,000.00	Multicanal SA 13.125% 4/15/09	30,408.35
70,000.00	El Paso Energy Corp 6.750% 5/15/09	66,395.00
95,000.00	Int'l Game Technology 8.375% 5/15/09	92,065.45
100,000.00	Southern Energy 7.900% 7/15/09	98,112.00
85,000.00	Sun Microsystems 7.65% 8/15/09	84,614.95
395,000.00	World Financial 6.950% 9/1/13	381,305.34
260,000.00	Scotia Pacific Co. LLC 7.710% 1/20/14	184,600.00
165,000.00	Paiton Energy 9.340% 2/15/14	19,800.00
285,000.00	RAS Laffan Liq Nat Gas 8.294% 3/15/14	257,380.64
150,000.00	Glencore Nickel Property Ltd 9.000% 12/1/14	127,500.00
70,000.00	Columbia/HCA Healthcare 9.000% 12/15/14	68,846.40
70,000.00	Lehman Brothers Holdings 8.800% 3/1/15	74,029.90
60,000.00	Columbia/HCA Healthcare 7.190% 11/15/15	48,870.60
100,000.00	Oxymar 7.500% 2/15/16	74,100.00
155,000.00	Republic of Columbia 8.700% 2/15/16	107,828.85
70,000.00	National Power Corp 8.400% 12/15/16	57,446.90
210,000.00	Petrozuata Finance Inc 8.220% 4/1/17	158,482.80
200,000.00	Hutchison Whampo Fin 7.450% 8/1/17	166,602.01

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PART IV, INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
85,000.00	Multicanal SA 10.500% 4/15/18	62,428.25
35,000.00	Associates Corp NA 6.950% 11/1/18	32,847.15
85,000.00	Saks Inc 7.375% 2/15/19	78,532.35
120,000.00	Florida Winstorm Under 7.125% 2/25/19	112,958.40
178,154.36	Continental Airlines 6.648% 3/15/19	167,062.47
255,000.00	Dr Structured Finance 9.350% 8/15/19	257,942.70
315,000.00	United Mexican St Ser A 6.250% 12/31/19	223,256.25
80,000.00	Continental Airlines 6.545% 8/2/20	74,244.80
135,000.00	Rhone-Poulenc Rorer Inc 8.620% 1/5/21	135,344.25
20,000.00	News America Holdings 8.875% 4/26/23	21,507.60
250,000.00	Metropolitan Life 7.450% 11/1/23	234,322.49
150,000.00	Time Warners Cos Inc 7.570% 2/1/24	147,057.00
250,000.00	Nationwide Mutual Insurance 7.500% 2/15/24	234,360.01
150,000.00	Prudential Insurance Co. 8.300% 7/1/25	160,729.50
105,000.00	Columbia/HCA Healthcare 7.580% 9/15/25	85,726.20
125,000.00	First Chicago NBD Instit 7.950% 12/1/26	121,723.75
250,000.00	BT Instl Cap Trust A 8.090% 12/1/26	238,880.00
150,000.00	First Union Inst Cap I 8.040% 12/1/26	145,941.00
250,000.00	BANKAMERICA INSTIT-A 8.070% 12/31/26	242,737.50
125,000.00	Great Western Fin'l Series A 8.206% 2/1/27	121,891.25
180,000.00	Israel Electric 7.750% 12/15/27	161,382.60
170,000.00	GTE Corp 6.940% 4/15/28	158,625.30
190,000.00	News America Inc 7.280% 6/30/28	172,098.21
260,000.00	Farmers Exchange Capital 7.050% 7/15/28	231,766.60
170,000.00	USA Waste Services 7.000% 7/15/28	139,745.10
120,000.00	Enron Corp 6.950% 7/15/28	107,217.60
60,000.00	Enron Corp 6.950% 7/15/28	53,608.80
265,000.00	Worldcom Inc. 6.950% 8/15/28	247,552.40
160,000.00	Ford Motor Global 6.625% 10/1/28	141,108.80
115,000.00	Tennessee Gas Pipeline 7.000% 10/15/28	103,363.15
205,000.00	Monsanto Company 6.600% 12/01/28	177,021.59
85,000.00	Union Pacific Corp 6.625% 2/1/29	73,275.95
120,000.00	Lowes Companies Inc 6.500% 3/15/29	104,902.80
225,000.00	A T & T Corp 6.500% 3/15/29	200,547.01
120,000.00	Federated Department Stores 6.900% 4/1/29	107,947.20
205,000.00	Conoco Inc 6.950% 4/15/29	189,573.75
175,000.00	EOP Operating LP 7.500% 4/19/29	157,148.26
160,000.00	Ahold Finance USA Inc 6.875% 5/1/29	145,675.20

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PART IV. INVESTMENTS-SECURITIES, LINE 54:

<u>SHARES/PAR</u>	<u>DESCRIPTION</u>	<u>MARKET VALUE</u>
175,000.00	Delphi Auto Systems Corp 7.125% 5/1/29	158,779.25
95,000.00	Time Warner Inc 6.625% 5/15/29	82,725.05
55,000.00	Waste Management Inc 7.375% 5/15/29	47,326.95
100,000.00	Rohm & Haas Co. 7.850% 7/15/29	100,686.00
165,000.00	Albertson's Inc 7.450% 8/1/29	163,244.06
105,000.00	Hypovereinsbank Series 144A 8.741% 6/30/31	102,791.85
45,000.00	Endesa - Chile 7.325% 2/1/37	40,386.60
250,000.00	Dollar Thrifty 6.450% 8/25/04	244,072.49
89,695.48	Global Rates Eligible Asset 7.450% 3/15/06	22,423.87
92,203.23	Smart (CFS) 7.710% 4/15/06	23,050.81

12,110,609.61

15,647,608.97

INVESTMENT IN REAL ESTATE

Hershey Square Shopping Center	9,103,649.02
Accumulated Depreciation-Hershey Square	(1,201,071.60)
Hershey Square Phase II	192,902.82
Accumulated Depreciation-Hershey Square II	(33,708.37)

8,061,771.87

TOTAL INCOME FUND INVESTMENTS

579,611,115.69

TOTAL INVESTMENTS

4,630,784,175.81

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PART IV, INVESTMENTS - LAND, BUILDINGS AND EQUIPMENT, LINE 55:

	<u>Cost or Other Basis</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Land	2,655,591	-	2,655,591
Land Improvements	607,332	433,652	173,679
Buildings	8,492,770	5,314,832	3,177,938
Furniture & Equipment	425,287	423,054	2,233
	<u>12,180,980</u>	<u>6,171,538</u>	<u>6,009,442</u>

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

**STATEMENT ATTACHED TO AND MADE PART OF
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NOTE TO FORM 990, PART IV, LINES 55b & 57b:

As of January 1, 1974, buildings and improvements are depreciated on a straight-line basis over their estimated remaining useful lives ranging from fifteen to fifty years. Buildings recorded in the Principal Fund of the Trust do not reflect a provision for depreciation, since it is not a proper charge to this Fund under the provisions of the Deed of Trust.

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

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PART IV, LAND, BUILDINGS AND EQUIPMENT, LINE 57:

	<u>Cost or Other Basis</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
School Buildings	112,417,540	46,113,065	66,304,475
Student Homes	76,408,692	25,190,246	51,218,446
Construction in Progress	72,796,777	0	72,796,777
School machinery and fixtures	7,641,089	3,822,554	3,818,535
Trucks and buses	6,032,418	3,513,502	2,518,916
	<u>275,296,516</u>	<u>78,639,367</u>	<u>196,657,149</u>

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PART IV, SCHEDULE OF OTHER ASSETS, LINE 58:

Deposit bonds

15,000

15,000

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STATEMENT ATTACHED TO AND MADE PART OF
RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX FORM 990
FOR THE FISCAL YEAR ENDED JULY 31, 1999

23-1353340

ID#

PART V. LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES:

(A) Name and Address	(B) Title and Time in Position	(C) Compensation	(D) Contributions to Employee Benefit Plans & Deferred Comp.	(E) Expense Account & Other Allow.
William H. Alexander 16 Wagner Street Hummelstown, PA 17036	Director/Manager Part-Time	-	-	-
Donald A. Brown, Esq. 1250 Connecticut NW Washington, DC 20036	Director/Manager Part-Time	-	-	-
Anthony J. Colistra 429 Sioux Drive Mechanicsburg, PA 17055	Director/Manager Part-Time	-	-	-
W. Don Cornwell 192 Columbia Heights Brooklyn, NY 11201	Director/Manager Part-Time	-	-	-
Dr. Lawrence Davenport 505 Meadow Lane Hershey, PA 17033	Vice President Finance & Operations Full-Time	136,570	42,528	23,270
C. McCollister Evarts, M.D. R.D. #2, Box 184C Shady Lane Hummelstown, PA 17036	Director/Manager Part-Time	-	-	-
A. John Gabig, Esq 546 Thomas Bransby Williamsburg, VA 23185	Director/Manager Part-Time	-	-	-
Lucy Durr Hackney 2128 Pine Street Philadelphia, PA 19103	Director/Manager Part-Time	-	-	-

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

STATEMENT ATTACHED TO AND MADE PART OF
RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX FORM 990
FOR THE FISCAL YEAR ENDED JULY 31, 1999

23-1353340

ID#

PART V. LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES:

(A) <u>Name and Address</u>	(B) <u>Title and Time in Position</u>	(C) <u>Compensation</u>	(D) <u>Contributions to Employee Benefit Plans & Deferred Comp.</u>	(E) <u>Expense Account & Other Allow.</u>
Mavis E. Kelley 643 Heiden Court Hummelstown, PA 17036	Vice President of Programs Full-Time	138,820	45,347	23,270
Dr. William L. Lepley 858 Appenzell Drive Hummelstown, PA 17036	President Director/Manager Full-Time	206,008	86,615	72,990
Dr. Joan S. Lipsitz 17 Fones Avenue North Kingstown, RI 02852	Director/Manager Part-Time	-	-	-
The Rev. John S. McDowell, Jr. 131 Beverly Road Ashland, VA 23005	Director/Manager Part-Time	-	-	-
J. Bruce McKinney 300 Park Blvd. Hershey, PA 17033	Director/Manager Part-Time	-	-	-
Ruben Nazario 920 Beach Drive Hershey, PA 17033	Vice President -Human Resources Full-Time	126,214	36,491	23,270
Juliet C. Rowland 1232 Park Plaza Drive Columbus, OH 43213	Director/Manager Part-Time	-	-	-
Vincent B. Rudisill 100 Mansion Road East Hershey, PA 17033-0445	Treasurer Part-Time	-	-	-

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

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23-1353340

ID#

PART V, LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES:

(A) Name and Address	(B) Title and Time in Position	(C) Compensation	(D) Contributions to Employee Benefit Plans & Deferred Comp.	(E) Expense Account & Other Allow.
Robert Stets 910 Appenzell Drive Hummelstown, PA 17036	General Counsel Full-Time	165,070	39,622	23,270
Hershey Trust Company 100 Mansion Road East Hershey, PA 17033-0445	Trustee Part-time	1,000	-	-
Robert C. Vowler 100 Mansion Road East Hershey, PA 17033-0445	Director/Manager Part-Time	-	-	-
A. Morris Williams, Jr. 120 Righters Mill Road Gladwyne, PA 19035	Director/Manager Part-Time	-	-	-
Kenneth L. Wolfe 100 Crystal A Drive Hershey, PA 17033-0810	Director/Manager Part-Time	-	-	-
		<u>773,682</u>		
	Tie in to Part II			
	Col (C) Compensation	773,682		
	Col (E) Expense Account & Other Allowances	93,080		
	Part II, line 25	<u>866,762</u>		

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

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PART IV, LINE 75

(A) Name and Address	(B) Title and Time in Position	(C) Compensation	(D) Contributions to Employee Benefit Plans	(E) Expense Account & Other Allow.
J. Bruce McKinney 300 Park Blvd Hershey, PA 17033	Chairman & CEO, Hershey Entertainment & Resorts Company Full-time (1)	727,857	297,194	7,920
Vincent B. Rudisill 100 Mansion Road East Hershey, PA 17033-0445	VP & Sr Investment Officer, Hershey Trust Co. Full-time (2)	295,324	38,769	7,392
Robert C. Vowler 100 Mansion Road East Hershey, PA 17033-0445	President & CEO Hershey Trust Co. Full-time (2)	413,044	70,602	12,174
Kenneth L. Wolfe 100 Crystal A Drive Hershey, PA 17033-0810	Chairman & CEO Hershey Foods Corp. Full-time (3)	1,120,703	2,451,946	0
William H. Alexander 16 Wagner Street Hummelstown, PA 17036	Director/Manager Part-time (4)	106,000	0	0
C. McCollister Evarts, M.D. R.D. #2, Box 184C Shady Lane Hummelstown, PA 17036	Director/Manager Part-time (4)	100,750	0	0

(1) Individual is an officer of a wholly-owned for-profit entity. All compensation agreements relative to the for-profit entity are established by an independent Board of the for-profit entity with the assistance of third party compensation consultants. The for-profit entity derives a diminimus amount of revenue from the tax-exempt entity and all transactions are conducted at an arms-length basis. None of the compensation, employee benefit contributions or other allowances are paid for by the tax-exempt entity.

The compensation amount includes base salary and annual incentive payment for services rendered in connection with the for-profit entity. Compensation also includes director fees paid by Hershey Trust Company, a controlled for-profit entity. The contributions to benefit plans consist of health, life and disability insurance as well as retirement and 401(k) savings plan expense associated with the individual's service as an officer of the for-profit entity.

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

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23-1353340

ID#

PART V, LINE 75, continued

- (2) Individual is an officer of a controlled for-profit entity. All compensation agreements are established by an independent Compensation Committee and by the Board of Directors of Hershey Trust Company with the advice of third party compensation consultants. The Hershey Trust Company receives a fee of \$1,000 for its services from the tax-exempt entity. None of the compensation, employee benefit contributions or other allowances are paid for by the tax-exempt entity.

The compensation amount includes base salary and annual incentive payment all for services rendered in connection with the for-profit company. The contributions to benefit plans consist of health, life and disability insurance as well as retirement and 401(k) savings plan expense associated with the individual's service as an officer of the for-profit entity. Compensation for Mr. Vowler also includes director fees received from Hershey Entertainment & Resorts, a controlled for-profit entity.

- (3) Individual is the Chairman of the Board of Directors and Chief Executive Officer of Hershey Foods Corporation, a for-profit, publicly traded company, voting control of which is held by the tax-exempt organization. Hershey Foods Corporation, the leading confectionery company in North America, had revenues of \$4.4 billion for 1998; at December 31, 1998, Hershey Foods Corporation had approximately 44,000 registered public stockholders and a market capitalization of approximately \$8.9 billion. All compensation arrangements and amounts for Mr. Wolfe as Chairman & Chief Executive Officer of Hershey Foods Corporation are established and set by an independent Compensation Committee and Board of Directors of Hershey Foods Corporation. Both Hershey Foods' Compensation Committee and Board of Directors are composed of individuals unrelated and not subject to the control of any disqualified person. The Hershey Foods Corporation Compensation Committee obtained and relied upon appropriate third party data as to comparability, and adequately documented the basis for determining Mr. Wolfe's compensation. The amount and composition of Mr. Wolfe's compensation is based on marketplace competitive considerations, financial and business objectives and results achieved, and is consistent with that reported in Hershey Foods' Proxy Statement on Form 14A filed with the U.S. Securities and Exchange Commission. During the year Mr. Wolfe exercised Hershey Foods stock options having a value of \$5.9 million. Compensation also includes director fees paid by Hershey Trust Company, a controlled for-profit company. The tax-exempt organization does not participate and is not involved in establishing, setting, or reviewing any of the compensation arrangements or amounts for Mr. Wolfe as Chairman of the Board and Chief Executive Officer of Hershey Foods Corporation.

- (4) Compensation consists only of director fees paid or deferred by the controlled for-profit entity, Hershey Trust Company, and the publicly traded for-profit entity, Hershey Foods Corporation, for which the tax-exempt organization holds voting control. None of the compensation was paid for by the tax-exempt entity.

PENNSYLVANIA DEPARTMENT OF STATE
CORPORATION BUREAU
ROOM 308 NORTH OFFICE BUILDING
P.O. BOX 8722
HARRISBURG, PA 17105-8722

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HERSHEY, MILTON SCHOOL

THE CORPORATION BUREAU IS HAPPY TO SEND YOU YOUR FILED DOCUMENT. PLEASE NOTE THE FILE DATE AND THE SIGNATURE OF THE SECRETARY OF THE COMMONWEALTH. THE CORPORATION BUREAU IS HERE TO SERVE YOU AND WANTS TO THANK YOU FOR DOING BUSINESS IN PENNSYLVANIA. IF YOU HAVE ANY QUESTIONS PERTAINING TO THE CORPORATION BUREAU, CALL (717) 787-1057.

ENTITIES THAT ARE CHARITIES AND SOLICIT FUNDS SHOULD CONTACT THE BUREAU OF CHARITABLE ORGANIZATIONS FOR REGISTRATION REQUIREMENTS AT DEPARTMENT OF STATE, BUREAU OF CHARITABLE ORGANIZATIONS, SUITE 300 124 PINE STREET, HARRISBURG, PENNSYLVANIA 17101 (717) 783-1720 OR 1-800-732-0999 WITHIN PENNSYLVANIA.

ENTITY NUMBER: 0159534

MICROFILM NUMBER: 09872

1226-1229

MCNEES WALLACE & NURICK ESQS
COUNTER

9872-1226

Microfilm Number _____

Filed with the Department of State on SEP 28 1998Entity Number 159534Secretary of the Commonwealth D**ARTICLES OF AMENDMENT-DOMESTIC NONPROFIT CORPORATION**

DSCB:15-5915 (Rev 90)

In compliance with the requirements of 15 Pa.C.S. § 5915 (relating to articles of amendment), the undersigned nonprofit corporation, desiring to amend its articles, hereby states that:

1. The name of the corporation is: Milton Hershey School

2. The (a) address of this corporation's current registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is (the Department is hereby authorized to correct the following information to conform to the records of the Department):

(a) <u>9 Chocolate Avenue</u>	<u>Hershey</u>	<u>PA</u>	<u>17033</u>	<u>Dauphin</u>
Number and Street	City	State	Zip	County

(b) c/o: _____
 Name of Commercial Registered Office Provider _____ County _____

For a corporation represented by a commercial registered office provider, the county in (b) shall be deemed the county in which the corporation is located for venue and official publication purposes.

3. The statute by or under which it was incorporated is: See Exhibit "A" attached hereto

4. The date of its incorporation is: December 30, 1919

5. (Check, and if appropriate complete, one of the following):

☒ The amendment shall be effective upon filing these Articles of Amendment in the Department of State.

☐ The amendment shall be effective on: _____ at _____
 Date Hour

6. (Check one of the following):

☐ The amendment was adopted by the members (or shareholders) pursuant to 15 Pa.C.S. § 5914(a).

☒ The amendment was adopted by the board of directors pursuant to 15 Pa.C.S. § 5914(b).

7. (Check, and if appropriate complete, one of the following):

☒ The amendment adopted by the corporation, set forth in full, is as follows:

See Exhibit "B" attached hereto

☐ The amendment adopted by the corporation is set forth in full in Exhibit A, attached hereto and made a part hereof.

SEP 28 98

PA DEPT OF STATE

8. (Check, if the amendment restates the Articles):

 The restated Articles of Incorporation supersede the original Articles and all amendments thereto.

IN TESTIMONY WHEREOF, the undersigned corporation has caused these Articles of Amendment to be signed by a duly authorized officer thereof this 28 day of September, 1998.

MILTON HERSHEY SCHOOL

BY: 

TITLE: Dr. William L. Lepley, President

EXHIBIT "A"

The Corporation was formed under the provisions of "An Act to Provide for the Incorporation and Regulation of Certain Corporations," Act of April 29, 1874, P. L. 73, as amended, by decree of the Court of Common Pleas of Dauphin County, dated the 30th day of December, 1919. The original Articles of Incorporation were recorded on December 30, 1919, in the Reporter's Office in and for the County of Dauphin, Pennsylvania, in Charter Book "L", Page 282. Articles of Amendment to the Articles of Incorporation were recorded on the following respective dates in the Recorder's Office in and for the County of Dauphin, Pennsylvania, at the following respective Charter Book references:

October 30, 1933, Charter Book "P", Page 658

December 26, 1951, Charter Book "T", Page 273

March 22, 1971, Charter Book "L", Vol. 2, Page 459

Pursuant to and in compliance with the requirements of Subchapter A of Chapter 79 of Article B, Part III of Title 15 of the Consolidated Pennsylvania Statutes, said Article B known as the "Non-Profit Corporation Law of 1972," Act of November 15, 1972, P. L. No. 271, as amended, 15 Pa.C.S.A. §7301, the Corporation by Articles of Amendment restated its Articles of Incorporation in their entirety and the resulting Restated Articles of Incorporation were approved and filed with the Pennsylvania Department of State on the 2nd day of December, 1974, and appear at reference number 3-1-74: 47-295, et seq., of the said Department of State.

Articles of Amendment to the Restated Articles of Incorporation were filed with the Department of State on the 3rd day of March, 1977, and appear at reference number 3-1-77: 13-464, et seq., of the said Department of State.

EXHIBIT "B"

RESOLUTION OF THE BOARD OF MANAGERS
OF MILTON HERSHEY SCHOOL
TO ADOPT ARTICLES OF AMENDMENT TO RESTATED
ARTICLES OF INCORPORATION

The members of the Board of Managers of Milton Hershey School, a Non-Profit Corporation of the Commonwealth of Pennsylvania (the Corporation having no members other than the persons constituting the Board of Managers), pursuant to 15 Pa.C.S.A. § 5914(b), on September 9, 1998, adopted a resolution amending the Restated Articles of Incorporation of Milton Hershey School, said resolution reading as follows:

RESOLVED, that the Restated Articles of Incorporation of Milton Hershey School be amended to add the following Clause 6:

6. In the event of a sale or dissolution of the School and/or the trusts herein created, no surplus funds may be used for "private inurement" (as that term is interpreted under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any successor or replacement provision) to any person.

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

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PART VI, LINE 80b:

Although it is not clear what "related" in the question of Part VI - 80a necessarily is meant to encompass, the following relationships are noted:

- (a) Milton Hershey School and School Trust (MHS&ST) owns (i) approximately nine percent of the common stock and ninety-nine percent of the Class B common stock of Hershey Foods Corporation (23-0691590), a Delaware business corporation, and one hundred percent of the common stock of Hershey Entertainment & Resorts Company, Inc. (23-0691815), a Pennsylvania business corporation. These corporations control numerous subsidiary corporations. Some members of the Board of Managers of MHS also serve on the Boards of Directors of one or the other of these corporations.
- (b) All members of the Board of Managers of MHS are also directors of Hershey Trust Company (23-0692150), an institution with trust powers formed under the Banking Laws of Pennsylvania. Hershey Trust Company is wholly owned by MHS&ST and is Trustee for MHS&ST.
- (c) Some of the Board of Managers of MHS also serve on and comprise all the members of the Board of Managers of the M. S. Hershey Foundation (23-6242734), a trust which is exempt under IRS Sec. 501 (c) (3).
- (d) Hershey Trust Company is Trustee of a testamentary trust (23-6242722) under the will of Milton S. Hershey, deceased, for the benefit of the School District of Derry Township, Pennsylvania. Milton S. Hershey was the creator of and primary contributor of MHS&ST.
- (e) Hershey Trust Company, Trustee for MHS&ST, operates a commercial trust business generally available to the public and in the course of its business has been named and acts as fiduciary of many trusts and estates, some of which are exempt under IRC Sec. 501 (c) (3). If the only connection between any such trust or estate and MHS&ST is the fact that they have the same fiduciary, namely Hershey Trust Company, no such trust or estate is listed in this response to PART VI - 80b.

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SCHEDULE A, PART III, LINE 2:

The following response is based on the premise that the "affiliated" organizations and corporations about which information is asked in Part III - 2 are meant to be the same "related" organizations about which information is asked in Form 990 Part VI - 80b.

- 2(a) MHS&ST leased real estate to subsidiaries of Hershey Entertainment & Resorts Company, Inc. The rental income as to each of the leases is reported as part of this Form 990 return.
- 2(c) MHS&ST purchased various commodities and services needed for its operations from Hershey Entertainment & Resorts Company, Inc. and Hershey Foods Corporation, or from subsidiaries thereof.
- 2(d) One member of the Board of Managers of MHS is compensated by MHS&ST for services performed in capacities other than as a member of the Board of Managers. All such compensation is reported elsewhere as part of this Form 990 return. A fee for service as fiduciary is paid by MHS&ST to Hershey Trust Company.

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

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SCHEDULE A, PART III, LINE 3:

Pursuant to the Deed of Trust under which Milton Hershey School and School Trust (MHS&ST) was created, a financial aid plan is provided for qualified students of Milton Hershey School to assure them of the opportunity to continue with post-secondary education.

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

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SCHEDULE A, PART III, LINE 4:

The recipients of "benefits" disbursed from Milton Hershey School and School Trust (MHS&ST) are the students of Milton Hershey School. The Deed of Trust under which MHS&ST functions requires that a student must be a poor, healthy child who has attained his or her fourth birthday but shall not yet have attained his or her sixteenth birthday at the time of his or her admission, and who in the opinion of the Board of Managers is not receiving adequate care from one of his or her natural parents, is of good character and behavior, has potential for scholastic achievement, and is likely to benefit from the program offered by MHS&ST, in addition to meeting the other qualifications set forth in the Deed of Trust. To assure that these conditions are met, MHS&ST makes an elaborate and detailed study of all applicants for enrollment.

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SCHEDULE A, PART V, LINE 31:

MHS&ST enrolls students before the start of each academic semester. In addition, enrollments are made throughout the year for emergency situations. There is no specific period of solicitation or registration. MHS&ST customarily draws a substantial percentage of its students from a large geographic section of the United States, follows a racially non-discriminatory policy as to students, and includes a statement of its racially non-discriminatory policy as to students in brochures, direct mailing, newspaper supplements, and catalogs dealing with student admissions, programs, and scholarships, thereby complying with the publicity requirement under Rev. Proc. 75-50, Sec. 4.03, 2(b).

MILTON HERSHEY SCHOOL AND SCHOOL TRUST

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SCHEDULE A, PART V, LINE 34a:

Milton Hershey School participates in a book loan program through the PA State Department of Education which makes books available directly to students through Access-PA. Milton Hershey School does not itself receive any financial aid.

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SCHEDULE A, PART VI-B, LINES b, d, & g:

- Line b** Employees of the exempt organization prepared comments regarding proposed state legislation that would affect administration of trusts, including the exempt organization.
- Line d** Employees of the exempt organization prepared correspondence to legislators regarding proposed legislation affecting trust administration. The amount is estimated internal cost for staff time.
- Line g** Registered lobbyists represented the exempt organization in developing and presenting comments about proposed legislation affecting trust administration.