

Plan Administrator and Retirement Plan Oversight Committee
King's College Defined Contribution Retirement Plan and Tax Deferred Annuity Plan GSRA

We have completed separate Department of Labor ("DOL") limited-scope audits of the financial statements of King's College Defined Contribution Retirement Plan and King's College Tax Deferred Annuity Plan GSRA (the "Plans") as of and for the year ended June 30, 2013 and have issued our reports thereon dated January 28, 2014. Professional standards require that we advise you of the following matters relating to our audits.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

As communicated in our engagement letter dated May 1, 2013, our audits were conducted in accordance with auditing standards generally accepted in the United States of America except that, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the Plan administrator instructed us not to perform, and we did not perform any audit procedures with respect to the information discussed in Note 8 of each financial statement which was certified by TIAA-CREF, the custodian of the Plans, except for comparing such information with the related information included in the financial statements and supplemental schedules. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by TIAA-CREF, was audited by us in accordance with auditing standards generally accepted in the United States of America and was subjected to tests of your accounting records and other procedures we considered necessary to enable us to express opinions as to whether they are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Our audits of the financial statements do not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plans' internal control over financial reporting. Accordingly, as part of our audits, and except that we did not, as part of the scope limitation discussed in the first paragraph, include a consideration of internal control relating to the information prepared and certified to by TIAA-CREF, we considered the internal control of the Plan solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters to communicate to you.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Plans' audited financial statements, including Form 5500, does not extend beyond the financial information identified in the auditors' report, and we are not required to perform any procedures to corroborate such other information. Our audits were conducted for the purpose of forming opinions on the financial statements taken as a whole. The supplemental Schedules H, Line 4(i) – Schedule of Assets (Held at End of Year), are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. The form and content of the supplemental schedules, other than that derived from information certified by TIAA-CREF, have been audited by us in accordance with auditing standards generally accepted in the United States of America. We have read the supplemental schedule in order to identify material inconsistencies, if any, with the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Planned Scope and Timing of the Audit

We conducted our audits consistent with the planned scope and timing previously communicated to you.

Qualitative Aspects of Accounting Practices

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Plan are described in Note 2 to each of the financial statements. As discussed in Note 2, the Plans each adopted new accounting guidance relating to fair value measurements and disclosures during 2013. This guidance includes new and clarified guidance on fair value measurement and required additional disclosures. The adoption of this guidance required certain additional disclosures in the notes to the Plans' financial statements. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimate affecting each of the financial statements is the fair value measurement of investments. The fair value of investments is provided by TIAA-CREF and, as discussed in the first paragraph of this letter, was not subject to auditing procedures.

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to, annuity contract with insurance company, financial statement users. The most sensitive disclosures affecting the Plans' financial statements relate to:

- Note 3 – Investments
- Note 4 – Annuity contracts with insurance company
- Note 5 – Fair value measurements

Significant Difficulties Encountered During the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audits.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audits, other than those that we believe are trivial, and communicate them to the appropriate level of management. There were no such misstatements noted during the audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Plan's financial statements or the auditors' report. No such disagreements arose during the course of our audit.

Representations Requested from Management

We have requested certain representations from management which are included in the attached letters.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with the Plans, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Plans, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Plans' auditors.

This report is intended solely for the information and use of the Plan Administrator and the Retirement Plan Oversight Committee of King's College and is not intended to be and should not be used by anyone other than these specified parties.

ParenteBeard LLC

Wilkes-Barre, Pennsylvania
January 28, 2014



CONTROLLER'S OFFICE
(570) 208 - 5837

January 28, 2014

ParenteBeard LLC
46 Public Square, Suite 400
Wilkes-Barre, PA 18701

This representation letter is provided in connection with your audit of the financial statements of the King's College Defined Contribution Retirement Plan (the "Plan"), which comprise the statement of net assets available for benefits as of June 30, 2013 and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

We understand that, at our instruction, you did not perform any audit procedures with respect to information prepared and certified by the Teachers Insurance and Annuity Association – College Retirement Equities Funds ("TIAA-CREF"), the custodian, in accordance with the Department of Labor's ("DOL") Rules and Regulations and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), other than comparing such information with the financial statements and supplemental schedule. Because of the significances of the information that you did not audit, we understand that you will not express an opinion on the financial statements and schedule as a whole.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, the following representations made to you during your audit:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 1, 2013, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. The methods and significant assumptions used to estimate fair values of financial instruments are discussed in Note 5 to the financial statements. The methods and significant assumptions used result in a measure of fair value appropriate for financial measurement and disclosure purposes.
5. We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services, or other third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as of the measurement date in accordance with accounting principles generally accepted in the United States of America.
6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of accounting principles generally accepted in the United States of America.
7. Transactions with parties in interest, as defined in Section 3(14) of ERISA and regulations thereunder, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from, or payable to, related parties have been appropriately disclosed.
8. All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States requires adjustment or disclosure have been adjusted or disclosed.
9. There were no uncorrected misstatements that were material, both individually and in the aggregate, to the financial statements as a whole.
10. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with accounting principles generally accepted in the United States.
11. We have no intentions to terminate the Plan.
12. Guarantees, whether written or oral, under which the Plan is contingently liable to a bank or another lending institution, have been properly recorded or disclosed in the financial statements.
13. We have properly reported and disclosed amendments to the Plan instrument, if any.
14. We acknowledge our responsibility for the presentation of the supplementary information in accordance with the applicable criteria and we believe the supplementary information, including its form and content, is fairly presented in accordance with the applicable criteria. The methods of measurement or presentation have not changed from those used in the prior period.

15. As discussed in Note 2 to the financial statements, the Plan adopted new accounting guidance relating to fair value measurement and disclosures during 2013. The adoption of the guidance required certain additional disclosures in the notes to the Plan's financial statements.

Information Provided

16. We have provided you with
- a. access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - b. additional information that you have requested from us for the purpose of the audit;
 - c. unrestricted access to persons within the Plan from whom you determined it necessary to obtain audit evidence;
 - d. all minutes of the meetings of the Retirement Plan Oversight Committee or summaries of actions of recent meetings for which minutes have not yet been prepared;
 - e. amendments made to the Plan instrument, trust agreement, or insurance contracts during the year, including amendments to comply with applicable laws; and
17. All transactions have been recorded in the accounting records and are reflected in the financial statements.
18. Financial instruments with off-balance-sheet risk and financial instruments with concentrations of credit risk have been properly recorded or disclosed in the financial statements.
19. The Plan or trust has satisfactory title to all owned assets that are recorded at fair value, and all liens, encumbrances, or security interest requiring disclosure in the financial statements have been properly disclosed.
20. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
21. We have no knowledge of any fraud or suspected fraud that affects the Plan and involves
- a. management,
 - b. employees who have significant roles in internal control, or
 - c. others when the fraud could have a material effect on the financial statements.

22. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the Plan's financial statements communicated by employees, former employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.
23. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
24. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements and the Plan has not consulted an attorney.
25. There are no other matters (for example, breach of fiduciary responsibilities, nonexempt transactions, loans or loans in default, or events that may jeopardize the tax status) that must be disclosed.
26. We have disclosed to you the identity of the Plan's related parties and parties in interest and all the related party and party in interest relationships and transactions of which we are aware.
27. We have apprised you of all communications, whether written or oral, with regulatory agencies concerning the operation of the Plan.
28. The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
29. The Plan has been designed to qualify under Section 403(b) of the Internal Revenue Code ("IRC") and therefore, it is not currently eligible to receive a determination letter from the Internal Revenue Service ("IRS"). The Plan is required to operate in conformity with the IRC to maintain its qualification under Section 403(b). The Plan administrator believes the Plan is operating in accordance with the applicable requirements of Section 403(b) of the IRC and therefore believes the Plan is qualified and the related custodial accounts are tax-exempt.
30. The Plan has complied with the DOL's regulations concerning the timely remittance of participants' contributions to trusts containing assets for the Plan.
31. The Plan has complied with the fidelity bonding requirements of ERISA.
32. We have determined the Plan had only one service provider (TIAA-CREF) during 2013 and no contracts were excluded from Plan assets at June 30, 2013.

33. We have evaluated the Plan's covered service providers to ensure compliance with ERISA 408(b)(2), *Services Provider Rules*, and ERISA 404(a)(5), *Participant Disclosures Rules*. Each covered service provider has provided the Plan with a written contract which compliance with the criteria set forth in the 408(b)(2) regulation: disclosure of services to be provided, description of compensation, manner of receipt of such compensation and all conflicts of interest. Communications to participants in accordance with 404(a)(5) regulation were provided to the participants of the Plan on or before August 30, 2012 and all expenses of the Plan in a manner which complied with 404(a)(5) regulation.

34. There are no

- a. *nonexempt party in interest transactions* (as defined in ERISA Section 3(l) and regulations under that section) that were not disclosed in the supplemental schedules or financial statements.
- b. investments in default or considered to be uncollectible that were not disclosed in the supplemental schedules.
- c. *reportable transactions* (as defined in ERISA Section 103(b)(3)(H) and regulations under that section) that were not disclosed in the supplemental schedules.



John R. Loyack
Vice President for Business Affairs, Treasurer & Chief Financial Officer



Thomas Graber
Associate Vice President, Controller & Chief Accounting Officer



Lita Piekara
Director of Human Resources & Plan Administrator



CONTROLLER'S OFFICE
(570) 208 - 5837

January 28, 2014

ParenteBeard LLC
46 Public Square, Suite 400
Wilkes-Barre, PA 18701

This representation letter is provided in connection with your audit of the financial statements of the King's College Tax Deferred Annuity Plan GSRA (the "Plan"), which comprise the statement of net assets available for benefits as of June 30, 2013 and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

We understand that, at our instruction, you did not perform any audit procedures with respect to information prepared and certified by the Teachers Insurance and Annuity Association – College Retirement Equities Funds ("TIAA-CREF"), the custodian, in accordance with the Department of Labor's ("DOL") Rules and Regulations and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), other than comparing such information with the financial statements and supplemental schedule. Because of the significances of the information that you did not audit, we understand that you will not express an opinion on the financial statements and schedule as a whole.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, the following representations made to you during your audit:

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3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. The methods and significant assumptions used to estimate fair values of financial instruments are discussed in Note 5 to the financial statements. The methods and significant assumptions used result in a measure of fair value appropriate for financial measurement and disclosure purposes.
5. We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services, or other third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as of the measurement date in accordance with accounting principles generally accepted in the United States of America.
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 - c. unrestricted access to persons within the Plan from whom you determined it necessary to obtain audit evidence;
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John R. Loyack
Vice President for Business Affairs, Treasurer & Chief Financial Officer



Thomas Graber
Associate Vice President, Controller & Chief Accounting Officer



Lita Piekara
Director of Human Resources & Plan Administrator