

Return of Organization Exempt From Income Tax

2006

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

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2006 calendar year, or tax year beginning 7/1/2006 , 2006, and ending 6/30/2007 , 20

- B** Check if applicable:
- Address change
 - Name change
 - Initial return
 - Final return
 - Amended return
 - Application pending

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

C Name of organization
KETTERING UNIVERSITY

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1700 West Third Avenue

City or town, state or country, and ZIP + 4
Flint, MI 48504-4898

D Employer identification number
38 2410852

E Telephone number
(810) 762-9790

F Accounting method: Cash Accrual
 Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H and I are not applicable to section 527 organizations.**
- H(a)** Is this a group return for affiliates? Yes No
- H(b)** If "Yes," enter number of affiliates ▶
- H(c)** Are all affiliates included? Yes No (If "No," attach a list. See instructions.)
- H(d)** Is this a separate return filed by an organization covered by a group ruling? Yes No
- I** Group Exemption Number ▶
- M** Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: ▶ **www.Kettering.edu**

J Organization type (check only one) ▶ 501(c) (**3**) ◀ (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **65466000**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:					
	a Contributions to donor advised funds	1a		0		
	b Direct public support (not included on line 1a)	1b		3,865,608		
	c Indirect public support (not included on line 1a)	1c		0		
	d Government contributions (grants) (not included on line 1a)	1d		1,037,768		
	e Total (add lines 1a through 1d) (cash \$ 4,682,360 noncash \$ 221,016)	1e				4,903,376
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2				47,958,765
	3 Membership dues and assessments	3				0
	4 Interest on savings and temporary cash investments	4				4,121,845
	5 Dividends and interest from securities	5				0
	6a Gross rents	6a		0		
	b Less: rental expenses	6b		0		
c Net rental income or (loss). Subtract line 6b from line 6a	6c				0	
7 Other investment income (describe ▶)	7				0	
Revenue	8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
		7,949,545	8a	0		
		7,892,229	8b	0		
	c Gain or (loss) (attach schedule) Stmt 1	8c	0			
	d Net gain or (loss). Combine line 8c, columns (A) and (B)	8d				57,316
	9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>					
a Gross revenue (not including \$ 0 of contributions reported on line 1b)	9a		0			
b Less: direct expenses other than fundraising expenses	9b		0			
c Net income or (loss) from special events. Subtract line 9b from line 9a	9c				0	
Revenue	10a Gross sales of inventory, less returns and allowances	10a		0		
	b Less: cost of goods sold	10b		0		
	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				532,469	
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12				57,573,771	
Expenses	13 Program services (from line 44, column (B))	13				49,917,633
	14 Management and general (from line 44, column (C))	14				6,044,052
	15 Fundraising (from line 44, column (D))	15				1,280,257
	16 Payments to affiliates (attach schedule)	16				0
	17 Total expenses. Add lines 16 and 44, column (A)	17				57,241,942
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 12	18				331,829
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19				128,397,894
	20 Other changes in net assets or fund balances (attach explanation) Stmt 2	20				7,596,610
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21				136,326,333

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 the instructions.)

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a	Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	22a 0	0		
22b	Other grants and allocations (attach schedule) (cash \$ <u>2,570,879</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	22b 2,570,879	2,570,879		
23	Specific assistance to individuals (attach schedule)	23 0	0		
24	Benefits paid to or for members (attach schedule)	24 0	0		
25a	Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a 1,377,084	453,090	832,225	91,769
b	Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b 0	0	0	0
c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c 0	0	0	0
26	Salaries and wages of employees not included on lines 25a, b, and c	26 24,855,791	21,670,501	2,478,748	706,542
27	Pension plan contributions not included on lines 25a, b, and c	27 2,523,063	2,129,937	318,963	74,163
28	Employee benefits not included on lines 25a – 27	28 2,818,598	2,379,424	356,324	82,850
29	Payroll taxes	29 1,953,678	1,649,269	246,982	57,427
30	Professional fundraising fees	30 17,965	0	0	17,965
31	Accounting fees	31 44,075	0	44,075	0
32	Legal fees	32 98,103	13,537	84,566	0
33	Supplies	33 2,302,839	2,071,285	154,377	77,177
34	Telephone	34 41,240	38,855	1,487	898
35	Postage and shipping	35 366,524	285,245	48,681	32,598
36	Occupancy	36 2,380,395	2,380,395	0	0
37	Equipment rental and maintenance	37 1,289,961	1,251,057	33,763	5,141
38	Printing and publications	38 0	0	0	0
39	Travel	39 869,874	640,398	146,591	82,885
40	Conferences, conventions, and meetings	40 0	0	0	0
41	Interest	41 1,348,795	1,348,795	0	0
42	Depreciation, depletion, etc. (attach schedule)	42 5,120,724	5,120,724	0	0 Stmt 4
43	Other expenses not covered above (itemize): See Statement 5	43a 7,262,354	5,914,242	1,297,270	50,842
a	-----	43b			
b	-----	43c			
c	-----	43d			
d	-----	43e			
e	-----	43f			
f	-----	43g			
g	-----				
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)–(D), carry these totals to lines 13–15)	44 57,241,942	49,917,633	6,044,052	1,280,257

Joint Costs. Check if you are following SOP 98-2.
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? 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 the instructions.)

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.

What is the organization's primary exempt purpose? ► Education	Program Service Expenses
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a See Statement 6 (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
b (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
c (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
d (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services). ►	49,917,633

Part IV Balance Sheets (See the instructions.)

				(A)		(B)
				Beginning of year		End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.						
Assets	45 Cash—non-interest-bearing			0	45	0
	46 Savings and temporary cash investments			8,474,929	46	9,550,661
	47a Accounts receivable	47a	3,029,566			
	b Less: allowance for doubtful accounts	47b	300,000	1,919,809	47c	2,729,566
	48a Pledges receivable	48a	677,002			
	b Less: allowance for doubtful accounts	48b	50,775	641,954	48c	626,227
	49 Grants receivable			0	49	0
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			0	50a	0
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)			0	50b	0
	51a Other notes and loans receivable (attach schedule)	51a	0			
	b Less: allowance for doubtful accounts	51b	0	0	51c	0
	52 Inventories for sale or use			0	52	0
	53 Prepaid expenses and deferred charges			1,550,075	53	1,449,953
	54a Investments—publicly-traded securities	▶ <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		395,587	54a	815
	b Investments—other securities (attach schedule)	▶ <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		150,148	54b	151,189 Stmt 7
	55a Investments—land, buildings, and equipment: basis	55a	0			
	b Less: accumulated depreciation (attach schedule)	55b	0	0	55c	0
	56 Investments—other (attach schedule) Stmt 8			64,493,853	56	73,421,128
	57a Land, buildings, and equipment: basis	57a	156,265,276			
b Less: accumulated depreciation (attach schedule) Stmt 9	57b	76,661,320	81,847,611	57c	79,603,956	
58 Other assets, including program-related investments (describe ▶ See Statement 10)			1,940,678	58	1,943,219	
59 Total assets (must equal line 74). Add lines 45 through 58			161,414,644	59	169,476,714	
Liabilities	60 Accounts payable and accrued expenses			3,634,014	60	3,755,664
	61 Grants payable			0	61	0
	62 Deferred revenue			1,987,903	62	1,664,133
	63 Loans from officers, directors, trustees, and key employees (attach schedule)			0	63	0
	64a Tax-exempt bond liabilities (attach schedule) See Statement 11			26,462,359	64a	25,956,107
	b Mortgages and other notes payable (attach schedule) Stmt 12			576,428	64b	610,028
	65 Other liabilities (describe ▶ See Statement 13)			356,046	65	1,164,449
66 Total liabilities. Add lines 60 through 65			33,016,750	66	33,150,381	
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			90,757,391	67	97,380,468
	68 Temporarily restricted			2,197,797	68	2,754,937
	69 Permanently restricted			35,442,706	69	36,190,928
	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				70	
	71 Paid-in or capital surplus, or land, building, and equipment fund				71	
	72 Retained earnings, endowment, accumulated income, or other funds				72	
	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)			128,397,894	73	136,326,333
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73			161,414,644	74	169,476,714

Part VI Other Information (continued)		Yes	No
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?		✓
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 in Part III.)		
	82b		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	✓	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	✓	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	84b		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
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.		
c	Dues, assessments, and similar amounts from members		
	85c		
d	Section 162(e) lobbying and political expenditures		
	85d		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
	85e		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
	85f		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
	85h		
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12		
	86a		
b	Gross receipts, included on line 12, for public use of club facilities		
	86b		
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders		
	87a		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
	87b		
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX.		✓
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI		✓
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0; section 4912 ▶ 0; section 4955 ▶ 0		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		✓
	89b		
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		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		✓
	89e		
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		✓
	89f		
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		✓
	89g		
90a	List the states with which a copy of this return is filed ▶ <u>CA,IN,ME,MD,NY,OR</u>		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions.)	90b	516
91a	The books are in care of ▶ <u>Beth A Covers</u> Telephone no. ▶ <u>810-762-9925</u> Located at ▶ <u>1700 West Third Avenue, Flint, MI</u> ZIP + 4 ▶ <u>48504-4898</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts.	Yes	No
	91b		✓

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? **91c** Yes No
 If "Yes," enter the name of the foreign country ▶

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶ **92** |

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Tuition and Fees					43,104,965
b Auxilliary Exterprises			03	2,870,855.00	
c Corporate Professional Dev and Research					1,982,945
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	4,121,845	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	57,316	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a Miscellaneous Income					532,469
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		7,050,016	45,620,379
105 Total (add line 104, columns (B), (D), and (E))					52,670,395

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	See Statement 17

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals				

107 Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

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

Please Sign Here

Signature of officer _____ Date _____

Susan K Bolt, Treasurer
Type or print name and title

Paid Preparer's Use Only

Preparer's signature _____ Date _____ Check if self-employed Preparer's SSN or PTIN (See Gen. Inst. X) _____

Firm's name (or yours if self-employed), address, and ZIP + 4 _____ EIN _____ Phone no. _____

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 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

2006

Name of the organization KETTERING UNIVERSITY	Employer identification number 38 2410852
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 of the instructions. 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
Homayun Navaz 1700 West Third Avenue, Flint, MI 48504-4898,	Professor 55	199,469	28,807	0
Petros Gheresus 1700 West Third Avenue, Flint, MI 48504-4898,	Academic Dept Head 62	162,993	36,839	18,564
Kingsley J Berry 1700 West Third Avenue, Flint, MI 48504-4898,	Academic Dept Head 55	159,045	35,635	24,512
Bassem Ramadan 1700 West Third Avenue, Flint, MI 48504-4898,	Professor 55	130,848	23,489	0
Andrew Borchers 1700 West Third Avenue, Flint, MI 48504-4898,	Professor 55	130,651	29,294	0
Total number of other employees paid over \$50,000 . ▶	213			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. 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
Kiple Consulting AKA Joseph B Kiple 1704 Connor Place, Forrest Hill, MD 21050, US	Research Program Management	124,892
Dickinson Wright PLLC 500 Woodward Ave, Detroit, MI 48226, US	Legal	95,543
Duce Simmons Associates 2338 Coolidge, Berkley, MI 48072, US	Architectural	84,447
James S Csizmadia 5201 Folkstone Drive, Troy, MI 48085, US	Consulting Services	72,000
McLaren Regional Medical Center 401 S Ballenger Hwy, Flint, MI 48532, US	Medical/Health	67,322
Total number of others receiving over \$50,000 for professional services ▶	1	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over \$50,000 for other services ▶	0	

Part III Statements About Activities (See page 2 of the instructions.)

	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 ▶ \$ <u>0</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1	✓
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 substantial contributors, 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? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)	See Statement 18	
a Sale, exchange, or leasing of property?	2a	✓
b Lending of money or other extension of credit?	2b	✓
c Furnishing of goods, services, or facilities?	2c	✓
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	✓
e Transfer of any part of its income or assets?	2e	✓
3a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) Stmt. 19	3a	✓
b Did the organization have a section 403(b) annuity plan for its employees?	3b	✓
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c	✓
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	✓
4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a	✓
b Did the organization make any taxable distributions under section 4966?	4b	✓
c Did the organization make a distribution to a donor, donor advisor, or related person?	4c	✓
d Enter the total number of donor advised funds owned at the end of the tax year ▶		
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶		
f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶		0
g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶		0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

I certify that 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.)
- 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%** 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%** 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 otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 - Type I
 - Type II
 - Type III-Functionally Integrated
 - Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					0

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 7 of the instructions.)

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) 2005	(b) 2004	(c) 2003	(d) 2002	(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 related 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 .					
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 Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total 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," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2005) _____ (2004) _____ (2003) _____ (2002) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records 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 11b, as well as individuals.) Do not file this list with your return. 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: (2005) _____ (2004) _____ (2003) _____ (2002) _____					
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 from 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 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See page 9 of the instructions.)
(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?	✓	
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?	✓	
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.) See Statement 20	✓	
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	✓	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	✓	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	✓	
d Copies of all material used by the organization or on its behalf to solicit contributions?	✓	
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?		✓
b Admissions policies?		✓
c Employment of faculty or administrative staff?		✓
d Scholarships or other financial assistance?		✓
e Educational policies?		✓
f Use of facilities?		✓
g Athletic programs?		✓
h Other extracurricular activities?		✓
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?	✓	
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. Stmnt 21		✓
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	✓	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term "expenditures" means amounts paid or incurred.)			
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— The lobbying nontaxable amount 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 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(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 page 13 of the instructions.)

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		✓	
b Paid staff or management (Include compensation in expenses reported on lines c through h .)		✓	
c Media advertisements		✓	
d Mailings to members, legislators, or the public		✓	
e Publications, or published or broadcast statements		✓	
f Grants to other organizations for lobbying purposes		✓	
g Direct contact with legislators, their staffs, government officials, or a legislative body		✓	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		✓	
i Total lobbying expenditures (Add lines c through h .)			0

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

Statement 1

Form: 990

Page: 1

Part: I

Question: 8

KETTERING UNIVERSITY

38-2410852

Sales of Assets Other than Inventory

Publicly Traded Securities

Description:

Sold To:

Sales Price:	\$7,949,545.00	Date Sold:
Expense of Sale:	\$0.00	Date acquired:
Cost or value when acquired:	\$7,892,229.00	How acquired:
Depreciation since acquisition:	\$0.00	
Net Sale:	\$57,316.00	

Statement 2

Form: 990

Page: 1

Part: I

Question: 20

KETTERING UNIVERSITY

38-2410852

Other changes in Net Assets or Fund Balances

Explanation	Amount
Unrealized Capital Gains	\$7,596,610.00
Total:	\$7,596,610.00

Statement 3

Form: 990
Page: 2
Part: II
Question: 22

KETTERING UNIVERSITY
38-2410852

Grants and Allocations

Classification Scholarships Kettering University
Date:
Type: Cash **Address:** 1700 W Third Avenue
Grant Amt \$797,707.00 Flint, MI 48504-4898
United States

Purp of payment to affiliate
Relationship: None
Description of Property:

How Determined

Book Value of Property:
FMV of Property:

Classification Scholarships SEOG
Date:
Type: Cash **Address:** US Dept of Ed
400 Maryland Avenue SW
Grant Amt \$416,206.00 Washington, DC 20202
United States

Purp of payment to affiliate
Relationship: None
Description of Property:

How Determined

Book Value of Property:
FMV of Property:

Classification Scholarships Various Donors
Date:
Type: Cash **Address:** Multiple
Grant Amt \$1,356,966.00 Flint, MI 48504-4898
United States

Purp of payment to affiliate
Relationship: None
Description of Property:

How Determined

Book Value of Property:
FMV of Property:

Total Grants: **\$2,570,879.00**

Statement 4

Form: 990

Page: 2

Part: II

Question: 42

KETTERING UNIVERSITY**38-2410852****Depreciation and Depletion**

Asset	Current Deprec.
Bond Issuance Costs	\$40,498.00
Accretion	\$633,564.00
Buildings	\$2,978,632.00
Equipment	\$1,276,312.00
Land Improvements	\$191,718.00
Total	\$5,120,724.00

Statement 5

Form: 990

Page: 2

Part: II

Question: 43

KETTERING UNIVERSITY**38-2410852****Attachment listing other expenses for Part II**

Description	Total:	Pgm Services	Mgt and General	Fundraising
Equipment	\$872,080.00	\$871,100.00	\$980.00	\$0.00
Bad Debt	\$239,919.00	\$0.00	\$239,919.00	\$0.00
Campus Food Service	\$981,654.00	\$924,773.00	\$49,925.00	\$6,956.00
Miscellaneous	\$745,518.00	\$657,797.00	\$79,178.00	\$8,543.00
Other Professional Fees	\$4,423,183.00	\$3,460,572.00	\$927,268.00	\$35,343.00
Total:	\$7,262,354.00	\$5,914,242.00	\$1,297,270.00	\$50,842.00

Statement 6

Form: 990

Page: 3

Part: III

Question:

KETTERING UNIVERSITY

38-2410852

Program Services

Achievement	Pgm. Svc. Exp.
Higher Education: Kettering University provides education and training in the areas of Engineering and Management. The curriculum includes a cooperative system under which students alternate between periods of study on campus and related work experience at a sponsoring unit. (0 Clients)	\$49,917,633.00
Grants and Allocations: \$2,570,879.00 This amount includes foreign grants: No	
Total:	\$49,917,633.00

Statement 7

Form: 990

Page: 4

Part: IV

Question: 54

KETTERING UNIVERSITY

38-2410852

Investments - Securities

Security	Valuation Type	Amount
Other Securities - Pooled Income Fund	FMV	\$151,189.00
Total:		\$151,189.00

Statement 8

Form: 990

Page: 4

Part: IV

Question: 56

KETTERING UNIVERSITY**38-2410852****Other Investments**

Investment	Valuation Type	Amount
Citizens Bank Trust	FMV	\$458,037.00
JP Morgan Trust	FMV	\$2,051,881.00
Merrill Lynch	FMV	\$57,769.00
Common Fund Intermediate Term Fund	FMV	\$6,861,165.00
JP Morgan Trust	FMV	\$1,145,084.00
JP Morgan Trust	FMV	\$519,756.00
Vanguard Funds	FMV	\$62,327,436.00
Total:		\$73,421,128.00

Statement 9

Form: 990

Page: 4

Part: IV

Question: 57

KETTERING UNIVERSITY**38-2410852****Schedule of Land, Buildings and Equipment**

Description	Cost	Depreciation	Book Value
Land	\$2,924,337.00	\$0.00	\$2,924,337.00
Equipment	\$33,117,123.00	\$23,836,763.00	\$9,280,360.00
Land Improvements	\$7,668,691.00	\$3,271,750.00	\$4,396,941.00
Building	\$112,555,125.00	\$49,552,807.00	\$63,002,318.00
Total:	\$156,265,276.00	\$76,661,320.00	\$79,603,956.00

Statement 10

Form: 990

Page: 4

Part: IV

Question: 58

KETTERING UNIVERSITY

38-2410852

Other Assets

Asset Description	BOY Amount	EOY Amount
Restricted Reserves/CVS Life Insurance	\$1,940,678.00	\$1,943,219.00
Total:	\$1,940,678.00	\$1,943,219.00

Statement 11

Form: 990

Page: 4

Part: IV

Question: 64a

KETTERING UNIVERSITY

38-2410852

Tax Exempt Bond Liabilities

Purpose: Renovate Academic Building
Issue Date: 08/20/2001
Original Amount: \$27,685,000.00
Amount of issue outstanding: \$25,956,107.00
Unexpended Proceeds: \$0.00
Facility used by 3rd Party: No
Percent used by 3rd Party:

Obligation is a Mortgage: No
Maturity Date:
Repayment Terms:
Interest Rate:
Security Provided by Borrower:

Contingent Liability: No

If 'Yes', this record will not be included in the total returned to the Form 990:

Total Due: **\$25,956,107.00**

Statement 12

Form: 990

Page: 4

Part: IV

Question: 64b

KETTERING UNIVERSITY**38-2410852****Mortgages and Other Notes Payable**

Type:	Non-Mortgage
Lender's Name:	Sodexho
Original Amount:	\$400,000.00
Balance Due:	\$175,610.00
Date of Note:	07/01/2003
Maturity Date:	06/30/2010
Repayment Terms:	7 Years Annual Installment
Interest Rate:	0
Security Provided by Borrower:	None
Purpose of Loan:	Cafeteria Renovation
Description of Consideration:	None
FMV of Consideration:	\$0.00
Relationship:	None

Type:	Mortgage
Lender's Name:	
Original Amount:	\$365,000.00
Balance Due:	\$335,509.00
Date of Note:	
Maturity Date:	
Repayment Terms:	
Interest Rate:	
Security Provided by Borrower:	
Purpose of Loan:	
Description of Consideration:	
FMV of Consideration:	
Relationship:	

Type:	Non-Mortgage
Lender's Name:	Follett
Original Amount:	\$123,636.00
Balance Due:	\$98,909.00
Date of Note:	07/01/2006
Maturity Date:	06/30/2011
Repayment Terms:	5 Years Annual Installment
Interest Rate:	0
Security Provided by Borrower:	None
Purpose of Loan:	Bookstore Renovation
Description of Consideration:	None
FMV of Consideration:	\$0.00
Relationship:	None

Total Due:	\$610,028.00
-------------------	---------------------

Statement 13

Form: 990

Page: 4

Part: IV

Question: 65

KETTERING UNIVERSITY

38-2410852

Other Liabilities

Liability Description	BOY Amount	EOY Amount
Annuity Liability	\$356,046.00	\$387,786.00
Asset Retirement Obligation	\$0.00	\$776,663.00
Total:	\$356,046.00	\$1,164,449.00

Statement 14

Form: 990

Page: 5

Part: IV-A

Question: b(4)

KETTERING UNIVERSITY

38-2410852

Revenue Audit Line b(4)

Description	Amount
Net Assets Released from Restrictions	\$658,609.00
Total:	\$658,609.00

Statement 15

Form: 990

Page: 5

Part: V

Question:

KETTERING UNIVERSITY**38-2410852****Officers, Directors, Trustees, and Key Employees**

Name and Address	Hrs	Comp.	Benefits	Expenses
Stanley R Liberty	55	\$350,116.00	\$46,909.00	\$58,180.00
Title: President Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States Compensation Explanation: President's expenses include nontaxable expenses of \$45,678.00 associated with personal use of university owned housing.				
Susan K Bolt	55	\$157,628.00	\$36,718.00	\$0.00
Title: Treasurer Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Susan Reynolds	45	\$59,613.00	\$15,807.00	\$0.00
Title: Secretary Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
David J Doherty	55	\$18,560.00	\$3,527.00	\$0.00
Title: Vice President Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Tony Hain	55	\$141,108.00	\$25,316.00	\$0.00
Title: Vice President Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
James A Hamilton	47	\$123,385.00	\$20,615.00	\$0.00
Title: Vice President Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898				

Name and Address	Hrs	Comp.	Benefits	Expenses
Country: United States				
John D Lorenz	55	\$21,090.00	\$3,132.00	\$1,969.00
Title: Vice President Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Robert M Nichols	55	\$112,238.00	\$29,081.00	\$0.00
Title: Vice President Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Linda K Peterson	55	\$123,829.00	\$30,751.00	\$0.00
Title: Vice President Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Robert Simpson	55	\$208,593.00	\$15,382.00	\$7,124.00
Title: Vice President Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Dennis Washington	55	\$60,923.00	\$16,052.00	\$3,462.00
Title: Vice President Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Lizabeth A Ardisana	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 W Third Addr 2: CSZ: Flint, MI 48504 Country: United States				
Jon E Barfield	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2:				

Name and Address	Hrs	Comp.	Benefits	Expenses
CSZ: Flint, MI 48504-4898 Country: United States				
Brenda L Ball	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Michael J Burns	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Bruce D Coventry	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Gary L Cowger	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Dennis Cuneo	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Jacqueline A Dedo	2	\$0.00	\$0.00	\$0.00
Title: Secretary Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Cornelius De Koker	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue				

Name and Address	Hrs	Comp.	Benefits	Expenses
Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Lawrence A Denton	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Phillip C Dutcher	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Michael L Eagle	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
William R Hartman	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Major G Horton	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
David S Hoyte	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Kurt H Joerger	2	\$0.00	\$0.00	\$0.00
Title: Board Member				

Name and Address	Hrs	Comp.	Benefits	Expenses
Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Larry R Johnson	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Robert C Kagle	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Charles F Kettering III	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Kathleen Ligocki	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Harry A Lomason II	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Jesse Lopez	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Sam M Mancuso	2	\$0.00	\$0.00	\$0.00

Name and Address	Hrs	Comp.	Benefits	Expenses
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Philip R Martens	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
James A McCaslin	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Dane A Miller	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Cindy Niekamp	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Robert S Oswald	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Frank J Perna Jr	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Marissa Peterson	2	\$0.00	\$0.00	\$0.00

Name and Address	Hrs	Comp.	Benefits	Expenses
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Steve Sanghi	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Heinz Schulte	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Marjorie Sorge	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Lyn St James	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Robert E Swaney Jr	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
John Urquhart	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Jane L Warner	2	\$0.00	\$0.00	\$0.00

Name and Address	Hrs	Comp.	Benefits	Expenses
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
Curtis S Wozniak	2	\$0.00	\$0.00	\$0.00
Title: Board Member Addr 1: 1700 West Third Avenue Addr 2: CSZ: Flint, MI 48504-4898 Country: United States				
TOTALS		\$1,377,083.00	\$243,290.00	\$70,735.00

Statement 16

Form: 990

Page: 6

Part: V-B

Question:

KETTERING UNIVERSITY

38-2410852

Former Officers, Directors, Trustees, and Key Employees

Name and Address	Loans and Advances	Comp.	Benefits	Expenses
James E A John	\$0.00	\$10,000.00	\$0.00	\$3,526.00
Addr: 3999 Hedgewood Drive				
Addr 2:				
CSZ: Medina, OH 44256				
Country: United States				
TOTALS	\$0.00	\$10,000.00	\$0.00	\$3,526.00

Statement 17

Form: 990

Page: 8

Part: VIII

Question:

KETTERING UNIVERSITY

38-2410852

Relationship of Activities

Line No	Relationship of Activities to the Accomplishment of Exempt Purposes
93 a	Tuition and fees
93 c	Corporate Professional Development and Research
103 a	Miscellaneous Income

Statement 18
Form: Schedule A
Page: 2
Part: III
Question: 2

KETTERING UNIVERSITY
38-2410852

Transaction Explanations

Line	Explanation
2d	Key employees and trustees may have been reimbursed travel amounts exceeding \$1000 subject to IRS accountable plan rules.

Statement 19
Form: Schedule A
Page: 2
Part: III
Question: 3a

KETTERING UNIVERSITY
38-2410852

Explanation of Grant Determination

Explanation of grant qualifications

Students qualify for Kettering University awarded scholarships by meeting published grade point average, rank in class and test score standards. Students may also qualify based on financial need provided they meet academic admissions standards.

Statement 20
Form: Schedule A
Page: 4
Part: V
Question: 31

KETTERING UNIVERSITY
38-2410852

Publicize Racially Nondiscriminatory Policy

Explanation/Description

In public relations releases and interviews with the media, the policy of nondiscrimination is made clear. All published recruiting materials for both students and employees carry a statement which declares the institutional policy of nondiscrimination.

Statement 21
Form: Schedule A
Page: 4
Part: V
Question: 34

KETTERING UNIVERSITY
38-2410852

Financial Assistance

Explanation

Kettering University received multiple federal and state grants.

**Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))**

2006

Department of the Treasury
Internal Revenue Service

For calendar year 2006 or other tax year beginning July 1, 2006, and ending June 30, 20 07. See separate instructions.

Open to Public Inspection for 501(c)(3) Organizations Only

<p>A <input type="checkbox"/> Check box if address changed</p> <p>B Exempt under section</p> <p><input checked="" type="checkbox"/> 501(c) (3)</p> <p><input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e)</p> <p><input type="checkbox"/> 408A <input type="checkbox"/> 530(a)</p> <p><input type="checkbox"/> 529(a)</p> <p>C Book value of all assets at end of year</p>	<p>Print or Type</p> <p>Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) Kettering University</p> <p>Number, street, and room or suite no. If a P.O. box, see page 9 of instructions. 1700 West Third Avenue</p> <p>City or town, state, and ZIP code Flint, MI 48504-4898</p> <p>F Group exemption number (See instructions for Block F on page 9.) ▶</p> <p>G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust</p>	<p>D Employer identification number (Employees' trust, see instructions for Block D on page 9.) 38 ; 2410852</p> <p>E Unrelated business activity codes (See instructions for Block E on page 9.) See attached ; statement</p>
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H Describe the organization's primary unrelated business activity. ▶

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? . ▶ Yes No
If "Yes," enter the name and identifying number of the parent corporation. ▶

J The books are in care of ▶ **Beth A. Covers** Telephone number ▶ (**810**) **762-9925**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales			
b	Less returns and allowances			
	c Balance ▶			
2	Cost of goods sold (Schedule A, line 7)			
3	Gross profit. Subtract line 2 from line 1c			
4a	Capital gain net income (attach Schedule D)			
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)			
c	Capital loss deduction for trusts			
5	Income (loss) from partnerships and S corporations (attach statement)			
6	Rent income (Schedule C)			
7	Unrelated debt-financed income (Schedule E)			
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F)			
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)			
10	Exploited exempt activity income (Schedule I)			
11	Advertising income (Schedule J)			
12	Other income (See page 11 of the instructions; attach schedule.)			
13	Total. Combine lines 3 through 12			0

Part II Deductions Not Taken Elsewhere (See page 12 of the instructions for limitations on deductions.)
(Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K)			
15	Salaries and wages			
16	Repairs and maintenance			
17	Bad debts			
18	Interest (attach schedule)			
19	Taxes and licenses			
20	Charitable contributions (See page 14 of the instructions for limitation rules.)			
21	Depreciation (attach Form 4562)			
22	Less depreciation claimed on Schedule A and elsewhere on return	21		
		22a		
23	Depletion			
24	Contributions to deferred compensation plans			
25	Employee benefit programs			
26	Excess exempt expenses (Schedule I)			
27	Excess readership costs (Schedule J)			
28	Other deductions (attach schedule)			
29	Total deductions. Add lines 14 through 28			0
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13			0
31	Net operating loss deduction (limited to the amount on line 30)			
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30			0
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions.)			
34	Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32			0

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation on page 15. Controlled group members (sections 1561 and 1563) check here <input type="checkbox"/> See instructions and: a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ _____ (2) \$ _____ (3) \$ _____ b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ _____ (2) Additional 3% tax (not more than \$100,000) \$ _____ c Income tax on the amount on line 34 <input type="checkbox"/> 35c		
36 Trusts Taxable at Trust Rates. See instructions for tax computation on page 16. Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041) <input type="checkbox"/> 36		
37 Proxy tax. See page 16 of the instructions <input type="checkbox"/> 37		
38 Alternative minimum tax <input type="checkbox"/> 38		
39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies <input type="checkbox"/> 39		

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) <input type="checkbox"/> 40a			
b Other credits (see page 17 of the instructions) <input type="checkbox"/> 40b			
c General business credit. Check here and indicate which forms are attached: <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form(s) (specify) ▶ _____ 40c			
d Credit for prior year minimum tax (attach Form 8801 or 8827) <input type="checkbox"/> 40d			
e Total credits. Add lines 40a through 40d <input type="checkbox"/> 40e			
41 Subtract line 40e from line 39 <input type="checkbox"/> 41			
42 Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule) <input type="checkbox"/> 42			
43 Total tax. Add lines 41 and 42 <input type="checkbox"/> 43			
44a Payments: A 2005 overpayment credited to 2006 <input type="checkbox"/> 44a			
b 2006 estimated tax payments <input type="checkbox"/> 44b			
c Tax deposited with Form 8868 <input type="checkbox"/> 44c			
d Foreign organizations: Tax paid or withheld at source (see instructions) <input type="checkbox"/> 44d			
e Backup withholding (see instructions) <input type="checkbox"/> 44e			
f Credit for federal telephone excise tax paid (attach Form 8913) <input type="checkbox"/> 44f			
g Other credits and payments: <input type="checkbox"/> Form 2439 _____ <input type="checkbox"/> Form 4136 _____ <input type="checkbox"/> Other _____ Total ▶ 44g			
45 Total payments. Add lines 44a through 44g <input type="checkbox"/> 45			
46 Estimated tax penalty (see page 4 of the instructions). Check if Form 2220 is attached <input type="checkbox"/> 46			
47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed <input type="checkbox"/> 47 0			
48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid <input type="checkbox"/> 48			
49 Enter the amount of line 48 you want: Credited to 2007 estimated tax ▶ _____ Refunded ▶ _____ 49			

Part V Statements Regarding Certain Activities and Other Information (see instructions on page 18)

1 At any time during the 2006 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1. If YES, enter the name of the foreign country here ▶ _____	Yes	No
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see page 5 of the instructions for other forms the organization may have to file.		Yes
3 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____		

Schedule A—Cost of Goods Sold. Enter method of inventory valuation ▶

1 Inventory at beginning of year <input type="checkbox"/> 1		6 Inventory at end of year <input type="checkbox"/> 6	
2 Purchases <input type="checkbox"/> 2		7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2 <input type="checkbox"/> 7	
3 Cost of labor <input type="checkbox"/> 3		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? <input type="checkbox"/> Yes <input type="checkbox"/> No	
4a Additional section 263A costs (attach schedule) <input type="checkbox"/> 4a			
b Other costs (attach schedule) <input type="checkbox"/> 4b			
5 Total. Add lines 1 through 4b <input type="checkbox"/> 5			

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

Signature of officer _____	Date _____	Treasurer _____	Title _____	May the IRS discuss this return with the preparer shown below (see instructions)? <input type="checkbox"/> Yes <input type="checkbox"/> No
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Paid Preparer's Use Only	Preparer's signature _____	Date _____	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN _____
	Firm's name (or yours if self-employed), address, and ZIP code _____	EIN _____	Phone no. () _____	

Schedule C—Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions on page 20)

1 Description of property		2 Rent received or accrued		3 Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)			
(1)				
(2)				
(3)				
(4)				
Total		Total		Total deductions. Enter here and on page 1, Part I, line 6, column (B) . . . ▶

Schedule E—Unrelated Debt-Financed Income (see instructions on page 20)

1 Description of debt-financed property	2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property		7 Gross income reportable (column 2 × column 6)	8 Allocable deductions (column 6 × total of columns 3(a) and 3(b))
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)		
(1)					
(2)					
(3)					
(4)					
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5			
(1)					
(2)					
(3)					
(4)					
				Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).
Totals ▶					
Total dividends-received deductions included in column 8 ▶					

Schedule F—Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions on page 21)

1 Name of Controlled Organization	2 Employer Identification Number	Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income	6 Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					
Nonexempt Controlled Organizations					
7 Taxable Income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10	
(1)					
(2)					
(3)					
(4)					
			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).	
Totals ▶					

Schedule G—Investment Income of a Section 501(c)(7), (9), or (17) Organization

(see instructions on page 22)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
Totals ▶	Enter here and on page 1, Part I, line 9, column (A).			Enter here and on page 1, Part I, line 9, column (B).

Schedule I—Exploited Exempt Activity Income, Other Than Advertising Income

(see instructions on page 22)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals ▶	Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).				Enter here and on page 1, Part II, line 26.

Schedule J—Advertising Income (see instructions on page 23)

Part I Income From Periodicals Reported on a Consolidated Basis

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5)) . . . ▶						

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I						
Totals, Part II (lines 1-5) . . . ▶	Enter here and on page 1, Part I, line 11, col. (A).	Enter here and on page 1, Part I, line 11, col. (B).				Enter here and on page 1, Part II, line 27.

Schedule K—Compensation of Officers, Directors, and Trustees (see instructions on page 23)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
		%	
		%	
		%	
		%	
Total. Enter here and on page 1, Part II, line 14 ▶			