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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 07-01-2009 and ending 06-30-2010

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

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

C Name of organization
FRANKLIN COLLEGE

Doing Business As

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

City or town, state or country, and ZIP + 4
FRANKLIN, IN 46131

D Employer identification number
35-0868086

E Telephone number
(317) 738-8000

G Gross receipts \$ 95,756,723

F Name and address of principal officer
JAMES G MOSELEY
101 BRANIGIN BLVD
FRANKLIN, IN 46131

H(a) Is this a group return for affiliates?

☐ Yes ☒ No

H(b) Are all affiliates included?

☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶

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

J Website: ▶ WWW.FRANKLINCOLLEGE.EDU

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1834

M State of legal domicile IN

Part I

Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities FRANKLIN COLLEGE SHALL ATTAIN EXCELLENCE AS A LIBERAL ARTS TEACHING AND LEARNING UNDERGRADUATE COMMUNITY THE COLLEGE SHALL MOTIVATE AND PREPARE ITS GRADUATES FOR LIVES OF EXCELLENCE, LEADERSHIP, & SERVICE		
	2	Check this box ☒ if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	37
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	36
	5	Total number of employees (Part V, line 2a)	5	982
	6	Total number of volunteers (estimate if necessary)	6	50
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	-37,334
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	-37,618
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	4,050,113	3,398,719
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	27,501,080	29,641,369
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-3,298,509	3,980,852
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	268,081	157,009
			28,520,765	37,177,949
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	9,695,949	11,098,741
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	13,258,844	14,113,996
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	2,491	7,200
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶1,434,666		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	12,838,275	12,228,438
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	35,795,559	37,448,375
	19	Revenue less expenses Subtract line 18 from line 12	-7,274,794	-270,426
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	125,439,252	130,575,506
	21	Total liabilities (Part X, line 26)	16,977,598	18,544,981
	22	Net assets or fund balances Subtract line 21 from line 20	108,461,654	112,030,525

Part II

Signature Block

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

Signature of officer

2010-02-15

Date

BRYAN SPETTER Vice President for Finance

Type or print name and title

Preparer's signature

Date

Check if self-employed ☐

Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4

CROWE HORWATH LLP
3815 River Crossing Parkway
Suite 300
Indianapolis, IN 462400977

EIN ▶

Phone no ▶ (317) 569-8989

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2009)

Part III

Statement of Program Service Accomplishments

1

Briefly describe the organization's mission

FRANKLIN COLLEGE SHALL ATTAIN EXCELLENCE AS A PERSONAL, PARTICIPATORY, VALUES-FOCUSED, CAREER-SENSITIVE, LIBERAL ARTS TEACHING AND LEARNING UNDERGRADUATE COMMUNITY THE COLLEGE SHALL MOTIVATE AND PREPARE ITS GRADUATES FOR PRODUCTIVE AND SATISFYING LIVES OF EXCELLENCE, LEADERSHIP AND SERVICE

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes

☒

No

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

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes

☒

No

If "Yes," describe these changes on Schedule O

4

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

4a

(Code) (Expenses \$ 16,325,610 including grants of \$ 0) (Revenue \$ 24,102,117)

INSTRUCTION - DESIGNING AND DELIVERING THE ACADEMIC CURRICULUM FOR UNDERGRADUATE STUDENTS

4b

(Code) (Expenses \$ 5,918,431 including grants of \$ 0) (Revenue \$ 5,664,670)

STUDENT SERVICES - ACTIVITIES RELATED TO STUDENTS' LIVES OUTSIDE THE CLASSROOM THIS INCLUDES, STUDENT AFFAIRS, RESIDENCE LIFE, COLLEGE CHAPLAIN, ADMISSIONS, FINANCIAL AID OFFICE, ACADEMIC RECORDS, AND ATHLETICS

4c

(Code) (Expenses \$ 11,098,741 including grants of \$ 11,098,741) (Revenue \$ 0)

SCHOLARSHIPS - GRANTS TO STUDENTS TO REDUCE STUDENTS' COST OF ATTENDANCE

4d

Other program services (Describe in Schedule O)

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

4e

Total program service expenses

\$ 33,342,782

Form 990 (2009)

Part IV

Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		No
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	Yes	
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	Yes	
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.	Yes	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.		
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.		
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.		
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.		
	• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.		
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.		
12	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	Yes	
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No
	If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional		No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	Yes	
14a	Did the organization maintain an office, employees, or agents outside of the United States?		No
14b	b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	Yes	
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III		No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	Yes	
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H		No

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II . . .</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III . . .</i>	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J . . .</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25 . . .</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . .	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . .	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . .	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I . . .</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I . . .</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II . . .</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III . . .</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . .</i>	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M . . .</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . .</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II . . .</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I . . .</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 . . .</i>	34		No
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2 . . .</i>	35		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2 . . .</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI . . .</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O . . .	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a	1,794	
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	982	
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?			3a	Yes
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O			3b	Yes
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a	No
b 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				
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .			5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b	No
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?			6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b	
7 Organizations that may receive deductible contributions under section 170(c).				
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			7a	Yes
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	Yes
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year			7d	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .			7f	No
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . .			7g	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8	
9 Sponsoring organizations maintaining donor advised funds.				
a Did the organization make any taxable distributions under section 4966?			9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?			9b	
10 Section 501(c)(7) organizations. Enter				
a Initiation fees and capital contributions included on Part VIII, line 12			10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			10b	
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders			11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year			12b	

Part VI

Governance, Management, and Disclosure

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . .	1a	37	
b	Enter the number of voting members that are independent . . .	1b	36	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets? . . .	5		No
6	Does the organization have members or stockholders?	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . .	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies

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

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	Yes	
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b		No
	If "Yes" to line a or b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed IN
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. ☐ Own website ☐ Another's website ☒ Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. BRYAN SPETTER 101 BRANIGIN BLVD FRANKLIN, IN 46131 (317) 738-8000

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

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

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

Form **990** (2009)

1b Total	1,038,661	0	296,566
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2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **7**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
SODEXO INC 4880 PAYSPIHERE CIRCLE CHICAGO, IL 60674	FOOD SERVICE	1,851,563
GIBRALTAR DESIGN 9102 N MERIDIAN ST SUITE 300 INDIANAPOLIS, IN 46260	CONSTRUCTION DESIGN	189,888
BRUSCO LLC 851 OVERSTREET ST FRANKLIN, IN 46131	EXCAVATION	162,889
SHIEL SEXTON COMPANY INC 902 N CAPITOL AVE INDIANAPOLIS, IN 46204	CONSTRUCTION MANAGEMENT	153,813
BEMIS GROUP PO BOX 1092 GREENWOOD, IN 46142	CONSTRUCTION MANAGEMENT	144,288

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **7**

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514		
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a	0					
	b	Membership dues	1b	0					
	c	Fundraising events	1c	57,600					
	d	Related organizations	1d	0					
	e	Government grants (contributions)	1e	691,928					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	2,649,191					
	g	Noncash contributions included in lines 1a-1f \$ 143,445							
	h	Total. Add lines 1a-1f			3,398,719				
Program Service Revenue			Business Code						
	2a	TUITION AND FEES		23,976,699	23,976,699	0	0		
	b	AUXILIARY ENTERPRISES		5,664,670	5,664,670	0	0		
	c			0	0	0	0		
	d			0	0	0	0		
	e			0	0	0	0		
	f	All other program service revenue		0	0	0	0		
	g	Total. Add lines 2a-2f			29,641,369				
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)			1,542,990	0	-44,640	1,587,630	
	4	Income from investment of tax-exempt bond proceeds . . .			0	0	0	0	
	5	Royalties			0	0	0	0	
	6a	Gross Rents	(i) Real	(ii) Personal					
			49,003	0					
			b	Less rental expenses	5,895	0			
			c	Rental income or (loss)	43,108	0			
	d	Net rental income or (loss)			43,108	0	6,331	36,777	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other					
			60,986,809	0					
			b	Less cost or other basis and sales expenses	58,548,947	0			
			c	Gain or (loss)	2,437,862	0			
	d	Net gain or (loss)			2,437,862	0	0	2,437,862	
	8a	Gross income from fundraising events (not including \$ 57,600 of contributions reported on line 1c) See Part IV, line 18							
			a	11,440					
			b	Less direct expenses	b	23,932			
	c	Net income or (loss) from fundraising events . . .			-12,492	0	0	-12,492	
	9a	Gross income from gaming activities See Part IV, line 19							
			a	0					
			b	Less direct expenses	b	0			
c	Net income or (loss) from gaming activities . . .			0	0	0	0		
10a	Gross sales of inventory, less returns and allowances								
		a	0						
		b	Less cost of goods sold	b	0				
c	Net income or (loss) from sales of inventory . . .			0	0	0	0		
Miscellaneous Revenue		Business Code							
11a	MISCELLANEOUS INCOME			125,418	125,418	0	0		
b	FITNESS FACILITY		713,940	975	0	975	0		
c				0	0	0	0		
d	All other revenue			0	0	0	0		
e	Total. Add lines 11a-11d			126,393					
12	Total revenue. See Instructions			37,177,949	29,766,787	-37,334	4,049,777		

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	0	0		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	11,098,741	11,098,741		
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0	0		
4	Benefits paid to or for members	0	0		
5	Compensation of current officers, directors, trustees, and key employees	1,087,149	333,400	576,600	177,149
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	266,029	0	266,029	0
7	Other salaries and wages	10,446,155	9,397,732	388,421	660,002
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	947,855	832,704	54,309	60,842
9	Other employee benefits	558,356	479,188	43,969	35,199
10	Payroll taxes	808,452	694,187	59,577	54,688
11	Fees for services (non-employees)				
a	Management	0	0	0	0
b	Legal	76,024	0	76,024	0
c	Accounting	83,170	0	83,170	0
d	Lobbying	0	0	0	0
e	Professional fundraising See Part IV, line 17	7,200			7,200
f	Investment management fees	189,245	0	189,245	0
g	Other	2,296,819	2,192,247	80,347	24,225
12	Advertising and promotion	94,500	94,500	0	0
13	Office expenses	837,391	604,637	47,831	184,923
14	Information technology	193,453	193,453	0	0
15	Royalties	0	0	0	0
16	Occupancy	0	0	0	0
17	Travel	289,552	233,308	7,115	49,129
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19	Conferences, conventions, and meetings	245,882	233,308	7,115	5,459
20	Interest	228,162	198,706	29,456	0
21	Payments to affiliates	0	0	0	0
22	Depreciation, depletion, and amortization	2,819,793	2,638,908	157,753	23,132
23	Insurance	65,966	0	65,966	0
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	PLANT OPERATIONS	2,913,572	2,722,108	166,979	24,485
b	PROFESSIONAL EDUCATION	204,911	95,932	94,569	14,410
c	EQUIPMENT & EQUIPMENT RENTAL	620,402	523,782	82,137	14,483
d	FOOD	207,909	174,240	27,905	5,764
e	GRANT-FUNDED ACTIVITIES	70,628	70,628	0	0
f	All other expenses	791,059	531,073	166,410	93,576
25	Total functional expenses. Add lines 1 through 24f	37,448,375	33,342,782	2,670,927	1,434,666
26	Joint costs. Check here ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation	0	0	0	0

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			418,788	1	73,360
	2	Savings and temporary cash investments			2,467,507	2	3,012,617
	3	Pledges and grants receivable, net			376,918	3	815,806
	4	Accounts receivable, net			3,856,175	4	4,432,384
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L			0	6	0
	7	Notes and loans receivable, net			0	7	0
	8	Inventories for sale or use			58,832	8	288,246
	9	Prepaid expenses and deferred charges			497,531	9	489,123
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a	110,214,753			
	b	Less accumulated depreciation	10b	53,974,795	56,611,401	10c	56,239,958
	11	Investments—publicly traded securities			40,787,926	11	37,984,546
	12	Investments—other securities. See Part IV, line 11			19,674,065	12	26,600,120
	13	Investments—program-related. See Part IV, line 11			0	13	0
	14	Intangible assets			0	14	0
	15	Other assets. See Part IV, line 11			690,109	15	639,346
	16	Total assets. Add lines 1 through 15 (must equal line 34)			125,439,252	16	130,575,506
Liabilities	17	Accounts payable and accrued expenses			975,701	17	1,774,313
	18	Grants payable			0	18	0
	19	Deferred revenue			298,319	19	333,760
	20	Tax-exempt bond liabilities			9,025,000	20	8,800,000
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			0	22	0
	23	Secured mortgages and notes payable to unrelated third parties			1,420,185	23	1,288,895
	24	Unsecured notes and loans payable to unrelated third parties			2,356,150	24	3,169,647
	25	Other liabilities. Complete Part X of Schedule D			2,902,243	25	3,178,366
	26	Total liabilities. Add lines 17 through 25			16,977,598	26	18,544,981
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			60,403,697	27	62,154,276
	28	Temporarily restricted net assets			11,788,638	28	13,389,900
	29	Permanently restricted net assets			36,269,319	29	36,486,349
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds			0	30	0
	31	Paid-in or capital surplus, or land, building or equipment fund			0	31	0
	32	Retained earnings, endowment, accumulated income, or other funds			0	32	0
	33	Total net assets or fund balances			108,461,654	33	112,030,525
	34	Total liabilities and net assets/fund balances			125,439,252	34	130,575,506

Part XI **Financial Statements and Reporting**

	Yes	No
1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . .		No
b Were the organization's financial statements audited by an independent accountant?	Yes	
c If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separated basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	Yes	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . . .	Yes	

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization
FRANKLIN COLLEGE

Employer identification number
35-0868086

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

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

- 1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**
- 2

☒

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☐

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**
- 11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

f

☐

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

g

☐

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

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

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

Part II

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2008 Schedule A, Part II, line 14	15	
16a 33 1/3% support test—2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		
b 33 1/3% support test—2008. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		
17a 10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		
b 10%-facts-and-circumstances test—2008. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		
18 Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total. Add lines 1 through 5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
cAdd lines 7a and 7b						
8Public Support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13Total support (Add lines 9, 10c, 11 and 12.)						
14First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

15Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15	
16Public support percentage from 2008 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	
18Investment income percentage from 2008 Schedule A, Part III, line 17	18	
19a33 1/3% support tests—2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
b33 1/3% support tests—2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
20Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		

Part IV

Supplemental Information. Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

SCHEDULE D

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization
FRANKLIN COLLEGE

Employer identification number

35-0868086

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	
	☐ Yes ☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit	
	☐ Yes ☐ No	

Part II

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

1	Purpose(s) of conservation easements held by the organization (check all that apply)											
	☐ Preservation of land for public use (e g , recreation or pleasure)	☐ Preservation of an historically importantly land area										
	☐ Protection of natural habitat	☐ Preservation of a certified historic structure										
	☐ Preservation of open space											
2	Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year											
		<table><tr><td></td><td>Held at the End of the Year</td></tr><tr><td>2a</td><td></td></tr><tr><td>2b</td><td></td></tr><tr><td>2c</td><td></td></tr><tr><td>2d</td><td></td></tr></table>		Held at the End of the Year	2a		2b		2c		2d	
	Held at the End of the Year											
2a												
2b												
2c												
2d												
a	Total number of conservation easements											
b	Total acreage restricted by conservation easements											
c	Number of conservation easements on a certified historic structure included in (a)											
d	Number of conservation easements included in (c) acquired after 8/17/06											
3	Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____											
4	Number of states where property subject to conservation easement is located ▶ _____											
5	Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?											
	☐ Yes ☐ No											
6	Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____											
7	Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____											
8	Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?											
	☐ Yes ☐ No											
9	In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements											

Part III

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

1a	If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items	
b	If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items	
	(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____ 0
	(ii) Assets included in Form 990, Part X	▶ \$ _____ 52,935
2	If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items	
a	Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b	Assets included in Form 990, Part X	▶ \$ _____

Part III

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

3

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

a

☒

Public exhibition

b

☐

Scholarly research

c

☒

Preservation for future generations

d

☐

Loan or exchange programs

e

☐

Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☒ No

Part IV

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a Beginning of year balance	69,774,138	90,221,640			
b Contributions	673,374	351,726			
c Investment earnings or losses	7,652,516	-16,686,329			
d Grants or scholarships	1,122,251	1,109,140			
e Other expenditures for facilities and programs	3,115,754	3,003,759			
f Administrative expenses	0	0			
g End of year balance	73,862,023	69,774,138			

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ 34 17 % %

b

Permanent endowment ▶ 49 39 % %

c

Term endowment ▶ 16 44 % %

3a

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

(i)

unrelated organizations

3a(i)

No

(ii)

related organizations

3a(ii)

No

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	5,580,000	7,235,078		12,815,078
b Buildings	0	79,598,985	38,174,700	41,424,285
c Leasehold improvements	0	0	0	0
d Equipment	0	16,490,413	15,800,095	690,318
e Other	0	1,310,277	0	1,310,277
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				56,239,958

Part XIReconciliation of Change in Net Assets from Form 990 to Financial Statements			
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	37,177,949
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	37,448,375
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-270,426
4	Net unrealized gains (losses) on investments	4	3,839,297
5	Donated services and use of facilities	5	0
6	Investment expenses	6	0
7	Prior period adjustments	7	0
8	Other (Describe in Part XIV)	8	0
9	Total adjustments (net) Add lines 4 - 8	9	3,839,297
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	3,568,871

Part XIIReconciliation of Revenue per Audited Financial Statements With Revenue per Return			
1	Total revenue, gains, and other support per audited financial statements	1	29,761,992
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	3,839,297
b	Donated services and use of facilities	2b	0
c	Recoveries of prior year grants	2c	0
d	Other (Describe in Part XIV)	2d	29,827
e	Add lines 2a through 2d	2e	3,869,124
3	Subtract line 2e from line 1	3	25,892,868
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	189,245
b	Other (Describe in Part XIV)	4b	11,095,836
c	Add lines 4a and 4b	4c	11,285,081
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	37,177,949

Part XIIIReconciliation of Expenses per Audited Financial Statements With Expenses per Return			
1	Total expenses and losses per audited financial statements	1	26,193,121
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	0
b	Prior year adjustments	2b	0
c	Other losses	2c	0
d	Other (Describe in Part XIV)	2d	29,827
e	Add lines 2a through 2d	2e	29,827
3	Subtract line 2e from line 1	3	26,163,294
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	189,245
b	Other (Describe in Part XIV)	4b	11,095,836
c	Add lines 4a and 4b	4c	11,285,081
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	37,448,375

Part XIVSupplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
Collections of art - description of collections	Schedule D, Part III, Line 4	COLLECTIONS FROM VARIOUS SCHOLARS, DIGNITARIES, AND ARTISTS ENHANCE THE INTELLECTUAL ATMOSPHERE ON CAMPUS
Intended uses of endowment funds	Schedule D, Part V, Line 4	THE ENDOWMENT PROVIDES SUPPORT FOR THE OPERATION OF THE COLLEGE AND HELPS THE COLLEGE FULFILL ITS MISSION BY PROVIDING SCHOLARSHIPS AND FACULTY SUPPORT
FIN 48 footnote	Schedule D, Part X, Line 2	THE COLLEGE IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE UNITED STATES INTERNAL REVENUE CODE. THE COLLEGE IS NOT CONSIDERED TO BE A PRIVATE FOUNDATION. CURRENT ACCOUNT STANDARDS REQUIRE THE COLLEGE TO DISCLOSE THE AMOUNT OF POTENTIAL BENEFIT OR OBLIGATION TO BE REALIZED AS A RESULT OF AN EXAMINATION PERFORMED BY A TAXING AUTHORITY FOR THE YEARS ENDED JUNE 30, 2010 AND 2009, MANAGEMENT HAS DETERMINED THAT THE COLLEGE DOES NOT HAVE ANY TAX POSITIONS THAT RESULT IN ANY UNCERTAINTIES REGARDING THE POSSIBLE IMPACT ON THE COLLEGE'S FINANCIAL STATEMENTS. THE COLLEGE DOES NOT EXPECT THE TOTAL AMOUNT OF UNRECOGNIZED TAX BENEFITS TO SIGNIFICANTLY CHANGE IN THE NEXT 12 MONTHS. THE COLLEGE IS NO LONGER SUBJECT TO EXAMINATION BY TAXING AUTHORITIES IN FOR YEARS BEFORE 2007. THE COLLEGE RECOGNIZES INTEREST AND/OR PENALTIES RELATED TO INCOME TAX MATTERS IN INCOME TAX EXPENSE. THE COLLEGE DID NOT HAVE ANY AMOUNTS ACCRUED FOR INTEREST AND PENALTIES AT JUNE 30, 2010.
Other revenues in audited financial statements not in form 990	Schedule D, Part XII, Line 2d	RENTAL EXPENSES - 5895, FUNDRAISING EXPENSES - 23932, OTHER - 0, TOTAL - 29827
Other revenues in form 990 not in audited financial statements	Schedule D, Part XII, Line 4b	SCHOLARSHIPS - 11095836, OTHER - 0, TOTAL - 11095836
Other expenses in audited financial statements not in form 990	Schedule D, Part XIII, Line 2d	RENTAL EXPENSES - 5895, FUNDRAISING EXPENSES - 23932, OTHER - 0, TOTAL - 29827
Other expenses in form 990 not in audited financial statements	Schedule D, Part XIII, Line 4b	SCHOLARSHIPS - 11095836, OTHER - 0, TOTAL - 11095836

SCHEDULE E
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Schools

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

► Attach to Form 990 or Form 990-EZ.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization FRANKLIN COLLEGE	Employer identification number 35-0868086
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	YES	NO
1 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	1 Yes	
2 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	2 Yes	
3 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe If "No," please explain FRANKLIN COLLEGE IS COMMITTED TO A POLICY OF NONDISCRIMINATION ON THE BASIS OF AGE, COLOR, DISABILITY, RACE, RELIGION, GENDER, NATIONAL ORIGIN, AND SEXUAL ORIENTATION IN ANY OF ITS PROGRAMS AND OFFERINGS IN COMPLIANCE WITH TITLE IX OF THE FEDERAL EDUCATIONAL AMENDMENTS OF 1972, OF EXECUTIVE ORDER 11246 AND REVISED ORDER NO 4 OF THE CIVIL RIGHTS ACT OF 1964 AS AMENDED IN 1972 AND SECTION 504 OF THE REHABILITATION ACT OF 1973 FRANKLIN COLLEGE POSTS THE NONDISCRIMINATION POLICY ON ITS WEBSITE ON WEB PAGES DESIGNED FOR PROSPECTIVE STUDENTS AND ADMITTED STUDENTS	3 Yes	
4 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, use Schedule O (Form 990)	4a Yes 4b Yes 4c Yes 4d Yes	
5 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, use Schedule O (Form 990)	5a 5b 5c 5d 5e 5f 5g 5h	No No No No No No No No
6a 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 line 6a or line 6b, explain on Schedule O (Form 990)	6a Yes 6b	No
7 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," explain on Schedule O (Form 990)	7 Yes	

SCHEDULE F
(Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

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

▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FRANKLIN COLLEGE

Employer identification number

35-0868086

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

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

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

3 Activities per Region (Use Schedule F-1 (Form 990) if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
EUROPE (INCLUDING ICELAND AND GREENLAND)	0	0	PROGRAM SERVICES	STUDY ABROAD COURSES	171,040
EAST ASIA AND THE PACIFIC	0	0	PROGRAM SERVICES	STUDY ABROAD COURSES	47,310
CENTRAL AMERICA AND THE CARIBBEAN			PASSIVE INVESTMENTS		
Totals ▶	0	0			218,350

[illegible]

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

3 Enter total number of other organizations or entities ▶ _____

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.
Use Schedule F-1 (Form 990) if additional space is needed.

[illegible]

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

[illegible]

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding
Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,
or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization
FRANKLIN COLLEGE

Employer identification number
35-0868086

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.
Form 990-EZ filers are not required to complete this part.

- 1

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

a

☐ Mail solicitations

b

☐ Internet and e-mail solicitations

c

☐ Phone solicitations

d

☐ In-person solicitations

e

☐ Solicitation of non-government grants

f

☐ Solicitation of government grants

g

☐ Special fundraising events
- 2a

Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising activities?

☐ Yes ☐ No
- b

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

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

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

Part II Fundraising Events.

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

Revenue			(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
			HUGH ANDREWS MEMORIAL GOLF OUTING	TOUCHDOWN CLUB GOLF OUTING	(total number)	(Add col (a) through col (c))
			(event type)	(event type)		
	1	Gross receipts	46,130	22,910		69,040
Direct Expenses	2	Less Charitable contributions	38,530	19,070		57,600
	3	Gross income (line 1 minus line 2)	7,600	3,840		11,440
	4	Cash prizes	0	0		0
	5	Non-cash prizes . . .	4,357	2,188		6,545
	6	Rent/facility costs . . .	12,213	5,174		17,387
	7	Food and beverages . . .	0	0		0
	8	Entertainment	0	0		0
	9	Other direct expenses .	0	0		0
	10	Direct expense summary Add lines 4 through 9 in column (d)				23,932
	11	Net income summary Combine lines 3, column d, and line 10.				-12,492

Part III Gaming.

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

Revenue			(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
						(Add col (a) through col (c))
Direct Expenses	1	Gross revenue				
	2	Cash prizes				
	3	Non-cash prizes				
	4	Rent/facility costs				
	5	Other direct expenses . . .				
	6	Volunteer labor	☐ Yes _____ % ☐ No	☐ Yes _____ % ☐ No	☐ Yes _____ % ☐ No	
	7	Direct expense summary Add lines 2 through 5 in column (d)				
	8	Net gaming income summary Combine lines 1, column d, and line 7				

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

		Yes	No
13	Indicate the percentage of gaming activity operated in		
a	The organization's facility 13a		
b	An outside facility 13b		
14	Enter the name and address of the person who prepares the organization's gaming/special events books and records		
Name ► _____			
Address ► _____			
15a	Does the organization have a contract with a third party from whom the organization receives gaming revenue?	15a	
b	If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____		
c	If "Yes," enter name and address		
Name ► _____			
Address ► _____			
16	Gaming manager information		
Name ► _____			
Gaming manager compensation ► \$ _____			
Description of services provided ► _____			
☐ Director/officer ☐ Employee ☐ Independent contractor			
17	Mandatory distributions		
a	Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?	17a	
b	Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____		

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization
FRANKLIN COLLEGE

Employer identification number
35-0868086

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

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

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ▶ ☐

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

2

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

▶

3

Enter total number of other organizations

▶

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization FRANKLIN COLLEGE	Employer identification number 35-0868086
--	--

Part I

Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
☐ First-class or charter travel		
☒ Housing allowance or residence for personal use		
☐ Travel for companions		
☐ Payments for business use of personal residence		
☐ Tax idemnification and gross-up payments		
☒ Health or social club dues or initiation fees		
☐ Discretionary spending account		
☒ Personal services (e g , maid, chauffeur, chef)		
b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain		No
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	Yes	
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
☒ Compensation committee		
☒ Written employment contract		
☐ Independent compensation consultant		
☒ Compensation survey or study		
☒ Form 990 of other organizations		
☒ Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a Receive a severance payment or change-of-control payment?		No
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	Yes	
c Participate in, or receive payment from, an equity-based compensation arrangement?		No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a The organization?		No
b Any related organization?		No
If "Yes," to line 5a or 5b, describe in Part III		
6 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a The organization?		No
b Any related organization?		No
If "Yes," to line 6a or 6b, describe in Part III		
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III		No
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III		No
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?		

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
DAVID BRAILOW	(i)	120,800	0	888	16,380	18,002	156,070	0
	(ii)	0	0	0	0	0	0	0
JAMES MEYER	(i)	133,500	0	3,940	18,630	19,562	175,632	0
	(ii)	0	0	0	0	0	0	0
ALAN HILL	(i)	130,000	0	3,625	18,630	23,028	175,283	0
	(ii)	0	0	0	0	0	0	0
JAMES MOSELEY	(i)	201,665	0	36,748	60,130	39,187	337,730	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
Housing allowance or residence for personal use	Schedule J, Part I, Line 1a	THE PRESIDENT IS REQUIRED TO RESIDE IN THE PRESIDENT'S HOME AS PART OF HIS DUTIES AS PRESIDENT. BECAUSE THIS IS REQUIRED OF HIM AS PART OF HIS EMPLOYMENT, THIS IS NOT TREATED AS TAXABLE COMPENSATION.
Health or social club dues or initiation fees	Schedule J, Part I, Line 1a	CLUB DUES ARE PAID FOR THE PRESIDENT, VICE PRESIDENT FOR INSTITUTIONAL ADVANCEMENT, VICE PRESIDENT FOR ENROLLMENT, AND VICE PRESIDENT FOR ACADEMIC AFFAIRS. ALL ARE TREATED AS TAXABLE COMPENSATION AND APPEAR ON THE FORMS W-2 FOR THESE INDIVIDUALS.
Written policy regarding payment or reimbursement of expenses	Schedule J, Part I, Line 1b	THE BOARD OF TRUSTEES DETERMINES ELIGIBILITY FOR THESE BENEFITS FOR THE PRESIDENT. THE PRESIDENT DOES SO FOR ALL OTHER STAFF/FACULTY POSITIONS.
Supplemental nonqualified retirement plan	Schedule J, Part I, Line 4b	JAMES G. MOSELEY, PRESIDENT, PARTICIPATED IN A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN. HE DEFERRED \$25,000 DURING THE YEAR ENDED JUNE 30, 2010.

Schedule K (Form 990)	Supplemental Information on Tax Exempt Bonds ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990). ▶ Attach to Form 990. ▶ See separate instructions.	OMB No 1545-0047
		2009
		Open to Public Inspection

Department of the Treasury Internal Revenue Service	
Name of the organization FRANKLIN COLLEGE	Employer identification number 35-0868086

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
							Yes	No	Yes	No
A	INDIANA EDUCATIONAL FACILITIES AUTHORITY	52-1698917	455048U48	12-03-2003	15,000,000	EXPANSION OF CAMPUS CENTER AND REFUNDING OF 10/7/1999 BOND ISSUE		X		X

Part II Proceeds

		A	B	C	D	E			
1	Total proceeds of issue	15,005,926							
2	Gross proceeds in reserve funds	0							
3	Proceeds in refunding or defeasance escrows	0							
4	Other unspent proceeds	0							
5	Issuance costs from proceeds	246,331							
6	Working capital expenditures from proceeds	0							
7	Capital expenditures from proceeds	8,843,180							
8	Year of substantial completion	2003							
		Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?	X							
10	Were the bonds issued as part of an advance refunding issue?		X						
11	Has the final allocation of proceeds been made?	X							
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?		X								
3b	Are there any research agreements with respect to the financed property which may result in private business use?		X								
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?										
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government		0 %								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government		0 %								
6	Total of lines 4 and 5		0 %								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X									

Part IV

Arbitrage

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X								
2	Is the bond issue a variable rate issue?	X									
3a	Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X								
b	Name of provider		NA								
c	Term of hedge		0 0								
4a	Were gross proceeds invested in a GIC?		X								
b	Name of provider		NA								
c	Term of GIC		0 0								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5	Were any gross proceeds invested beyond an available temporary period?		X								
6	Did the bond issue qualify for an exception to rebate?	X									

Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
FRANKLIN COLLEGE

Employer identification number
35-0868086

Part I

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

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

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

Part II

Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

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

Part III

Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

Part IV

Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
FRANKLIN INSURANCE COMPANY	OWNED BY TRUSTEE JOHN AULD, JR	217,507	INSURANCE PURCHASED BY FRANKLIN COLLEGE		No

SCHEDULE M
(Form 990)

NonCash Contributions

OMB No 1545-0047

2009

Open to Public Inspection

►Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

Name of the organization
FRANKLIN COLLEGE

Employer identification number
35-0868086

Part I

Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	16	143,445	MARKET VALUE
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► ()				
26 Other ► ()				
27 Other ► ()				
28 Other ► ()				
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement	29		0	
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a	Yes	No	
b If "Yes," describe the arrangement in Part II				
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31	Yes		
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?	32a	Yes		
b If "Yes," describe in Part II				
33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II				

Part II

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

Identifier	Return Reference	Explanation
Third parties used to solicit, process, or sell noncash contributions	Schedule M, Part I, Line 32a	FRANKLIN COLLEGE HAS ACCOUNTS AT BROKERAGE HOUSES INTO WHICH DONORS MAY TRANSFER SECURITIES EACH OF THESE BROKERAGES ARE INSTRUCTED TO SELL ALL SECURITIES THAT ARE RECEIVED AT THEIR EARLIEST OPPORTUNITY PER FRANKLIN'S GIFT POLICY NONE OF THESE BROKERAGE HOUSES SOLICIT NON-CASH CONTRIBUTIONS

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization
FRANKLIN COLLEGE

Employer identification number
35-0868086

Identifier	Return Reference	Explanation
Family/business relationships amongst interested persons	Form 990, Part VI, Section A, Line 2	SUSAN DEVOSS AND ROBERT DEVOSS - FAMILY RELATIONSHIP,
Review of form 990 by governing body	Form 990, Part VI, Section B, Line 11A	THE FORM 990 IS REVIEWED BY THE AUDIT COMMITTEE THEN A COPY OF THE FORM 990 IS PROVIDED TO EVERY MEMBER OF THE GOVERNING BODY BEFORE IT IS FILED WITH THE IRS
Conflict of interest policy	Form 990, Part VI, Section B, Line 12c	ALL EMPLOYEES AND TRUSTEES ANNUALLY SIGN A CONFLICT OF INTEREST STATEMENT THE PRESIDENT IS RESPONSIBLE FOR REVIEWING THE STATEMENTS FOR COLLEGE EMPLOYEES THE AUDIT COMMITTEE IS RESPONSIBLE FOR REVIEWING THE STATEMENTS OF THE TRUSTEES AND THE PRESIDENT ANY CONFLICTS OF INTEREST THAT ARE DISCLOSED ARE REPORTED TO THE CHAIR OF THE BOARD WHO ENSURES THE INDIVIDUAL ABSTAINS FROM VOTING ON MATTERS RELATED TO THE CONFLICT
Process used to establish compensation of top management official	Form 990, Part VI, Section B, Line 15a	THE PRESIDENT'S COMMITTEE OF THE BOARD OF TRUSTEES ESTABLISHES THE PRESIDENT'S COMPENSATION ANNUALLY THIS IS DONE THROUGH A REVIEW PROCESS BY WHICH THE PRESIDENT'S PERFORMANCE IS ASSESSED THE COMMITTEE USES COMPARATIVE SALARY DATA, INCLUDING FORMS 990 OF OTHER ORGANIZATIONS, TO MAKE ITS FINAL DECISION THE DECISION IS THEN RECOMMENDED TO THE BOARD OF TRUSTEES THE BOARD THEN VOTES ON THE MATTER THE DELIBERATIONS AND DECISIONS ARE DOCUMENTED IN THE BOARD MINUTES THIS PROCESS WAS LAST UNDERTAKEN IN 2009
Public Disclosure	Form 990, Part VI, Section C, Line 19	THE ORGANIZATIONS FINANCIAL STATEMENTS, CONFLICT OF INTEREST POLICY, AND GOVERNING DOCUMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST
Financial aid or assistance from a governmental agency	Schedule E, Line 6a	THE ORGANIZATION DOES RECEIVE ASSISTANCE FROM A GOVERNMENTAL AGENCY
PROCESS USED TO ESTABLISH COMPENSATION OF OTHER OFFICERS	FORM 990, PART VI, SECTION B, LINE 15B	THE PRESIDENT IS RESPONSIBLE FOR DETERMINING THE COMPENSATION FOR ALL EMPLOYEES AND OTHER OFFICERS OF THE COLLEGE THIS IS DONE ANNUALLY THE PRESIDENT USES COMPARABILITY DATA TO ESTABLISH THE COMPENSATION THE DELIBERATION AND DECISIONS ARE DOCUMENTED THIS PROCESS WAS LAST UNDERTAKEN IN 2009
ISSUANCE COSTS FROM PROCEEDS	SCHEDULE K, PART II, LINE 5	PROCEEDS USED FOR ISSUANCE COSTS - \$191,641 PROCEEDS USED FOR CREDIT ENHANCEMENT - \$54,690 TOTAL - \$246,331

Additional Data

Software ID:

Software Version:

EIN: 35-0868086

Name: FRANKLIN COLLEGE

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
CLIFFORD H DIETZ SECRETARY	2	X		X				0	0	0
SUSAN DEVOSS CHAIR OF THE BOARD	2	X		X				0	0	0
ROBERT SCHAFSTALL TREASURER	2	X		X				0	0	0
BYRON MASON TRUSTEE	2	X						0	0	0
WILLIAM RECEVEUR TRUSTEE	2	X						0	0	0
DAN THOMASSON TRUSTEE	2	X						0	0	0
MARGOT ECCLES VICE CHAIR	2	X						0	0	0
DEBORAH DAVIS TRUSTEE	2	X						0	0	0
WIL NELP TRUSTEE	2	X						0	0	0
RAFAEL SANCHEZ TRUSTEE	2	X						0	0	0
JAMES DUE VICE CHAIR	2	X						0	0	0
THERESSA WRIGHT VICE CHAIR	2	X						0	0	0
JAMES HOOVER TRUSTEE	2	X						0	0	0
JAMES FRISCHE TRUSTEE	2	X						0	0	0
STEPHEN HUDDLESTON TRUSTEE	2	X						0	0	0
JOHN AULD JR TRUSTEE	2	X						0	0	0
MARY ANN COLLIER VICE CHAIR	2	X						0	0	0
LARRY MASON TRUSTEE	2	X						0	0	0
VON BOLL VICE CHAIR	2	X						0	0	0
R MARTIN UMBARGER TRUSTEE	2	X						0	0	0
JANE REPP TRUSTEE	2	X						0	0	0
PAMELA HICKS TRUSTEE	2	X						0	0	0
JOHN DICKERSON TRUSTEE	2	X						0	0	0
JAMES NAPOLITAN VICE CHAIR	2	X						0	0	0
SUSAN WILLIAMS TRUSTEE	2	X						0	0	0

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
WORTHE HOLT JR TRUSTEE	2	X						0	0	0
PETER CANGANY TRUSTEE	2	X						0	0	0
REINHARD BOCKSTETTE TRUSTEE	2	X						0	0	0
CONSTANCE VAN VALER TRUSTEE	2	X						0	0	0
WILLIAM BROWN VICE CHAIR	2	X						0	0	0
PHILIP POWELL VICE CHAIR	2	X						0	0	0
DEAN ABPLANALP TRUSTEE	2	X						0	0	0
CHRISTI FIELDS VICE CHAIR	2	X						0	0	0
DOUGLAS TILLMAN TRUSTEE	2	X						0	0	0
JOHN GRIMMER TRUSTEE	2	X						0	0	0
MICHAEL O'DELL TRUSTEE	2	X						0	0	0
ROBERT DEVOSS TRUSTEE	2	X						0	0	0
DAVID BRAILOW VICE PRESIDENT FOR ACADEMIC AFFAIRS	40			X				121,688	0	34,382
JAMES MEYER VICE PRESIDENT FOR INSTITUTIONAL ADVANCEMENT	40			X				137,440	0	38,192
LISA FEARS VICE PRESIDENT FOR PLANNING, PLANT & TECHNOLOGY	40			X				101,950	0	13,891
ALAN HILL VICE PRESIDENT FOR ENROLLMENT & MARKETING	40			X				133,625	0	41,658
JAMES MOSELEY PRESIDENT	40			X				238,413	0	99,317
BRYAN SPETTER VICE PRESIDENT FOR FINANCE	40			X				112,500	0	15,816
KERRY PRATHER ATHLETIC DIRECTOR	40					X		91,241	0	32,887
ELLIS HALL DEAN OF STUDENTS	40					X		101,804	0	20,423

Form 990, Part VIII - Statement of Revenue - 2a - 2g Program Service Revenue -

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
TUITION AND FEES		23,976,699	23,976,699	0	0
AUXILIARY ENTERPRISES		5,664,670	5,664,670	0	0
		0	0	0	0
		0	0	0	0
		0	0	0	0

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
PLANT OPERATIONS	2,913,572	2,722,108	166,979	24,485
PROFESSIONAL EDUCATION	204,911	95,932	94,569	14,410
EQUIPMENT & EQUIPMENT RENTAL	620,402	523,782	82,137	14,483
FOOD	207,909	174,240	27,905	5,764
GRANT-FUNDED ACTIVITIES	70,628	70,628	0	0