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 **2006** Open to Public Inspection

A For the 2006 calendar year, or tax year beginning JUL 1, 2006 **and ending** JUN 30, 2007

B Check if applicable: [ ] Address change [ ] Name change [ ] Initial return [ ] Final return [ ] Amended return [ ] Application pending

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

C Name of organization: BABSON COLLEGE

Number and street (or P.O. box if mail is not delivered to street address): 231 FOREST ST. Room/suite:

City or town, state or country, and ZIP + 4: BABSON PARK, MA 02457-0301

D Employer identification number 04-2103544

E Telephone number 781.239.5298

F Accounting method: [ ] Cash [X] Accrual [ ] Other (specify) ▶

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

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? [ ] Yes [X] No

H(b) If "Yes," enter number of affiliates ▶ N/A

H(c) Are all affiliates included? N/A [ ] Yes [ ] No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [X] No

I Group Exemption Number ▶ N/A

G Website: ▶WWW.BABSON.EDU

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

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

M Check ▶ [ ] if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 225,168,261.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue

1	Contributions, gifts, grants, and similar amounts received:				
a	Contributions to donor advised funds	1a			
b	Direct public support (not included on line 1a)	1b	13,975,205.		
c	Indirect public support (not included on line 1a)	1c			
d	Government contributions (grants) (not included on line 1a)	1d	1,094,976.		
e	**Total** (add lines 1a through 1d) (cash $ 14,398,609. noncash $ 671,572.)			1e	15,070,181.
2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	139,307,646.
3	Membership dues and assessments			3	
4	Interest on savings and temporary cash investments			4	1,913,640.
5	Dividends and interest from securities			5	2,555,760.
6 a	Gross rents SEE STATEMENT 1	6a	1,110,585.		
b	Less: rental expenses	6b			
c	Net rental income or (loss). Subtract line 6b from line 6a			6c	1,110,585.
7	Other investment income (describe ▶)			7	

		(A) Securities		(B) Other		
8 a	Gross amount from sales of assets other than inventory	65,210,449.	8a			
b	Less: cost or other basis and sales expenses	57,991,498.	8b			
c	Gain or (loss) (attach schedule)	7,218,951.	8c			
d	Net gain or (loss). Combine line 8c, columns (A) and (B) STMT 2				8d	7,218,951.

9	Special events and activities (attach schedule). If any amount is from **gaming**, check here ▶ [ ]				
a	Gross revenue (not including $ ____ of contributions reported on line 1b)	9a			
b	Less: direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events. Subtract line 9b from line 9a			9c	
10 a	Gross sales of inventory, less returns and allowances	10a			
b	Less: cost of goods sold	10b			
c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a			10c	
11	Other revenue (from Part VII, line 103)			11	
12	**Total revenue.** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11			12	167,176,763.

Expenses

13	Program services (from line 44, column (B))	13	137,072,916.
14	Management and general (from line 44, column (C))	14	14,979,957.
15	Fundraising (from line 44, column (D))	15	3,502,879.
16	Payments to affiliates (attach schedule)	16	
17	**Total expenses.** Add lines 16 and 44, column (A)	17	155,555,752.

Net Assets

18	Excess or (deficit) for the year. Subtract line 17 from line 12	18	11,621,011.
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	244,745,855.
20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 3	20	23,029,461.
21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	279,396,327.

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash $ 0. noncash $ 0.) If this amount includes foreign grants, check here ▶ ☐	22a			STATEMENT 5	
22b Other grants and allocations (attach schedule) (cash $ 0. noncash $20633776) If this amount includes foreign grants, check here ▶ ☐	22b	20,633,776.	20,633,776.		
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a	1,906,875.	75,877.	1,636,985.	194,013.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	513,201.	435,079.	0.	78,122.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c				
26 Salaries and wages of employees not included on lines 25a, b, and c	26	56,224,589.	48,353,146.	6,184,705.	1,686,738.
27 Pension plan contributions not included on lines 25a, b, and c	27	4,156,526.	3,491,482.	540,348.	124,696.
28 Employee benefits not included on lines 25a - 27	28	6,495,816.	5,586,402.	714,540.	194,874.
29 Payroll taxes	29	3,688,226.	3,098,110.	479,469.	110,647.
30 Professional fundraising fees	30				
31 Accounting fees	31	199,908.		199,908.	
32 Legal fees	32	384,457.	90,689.	282,501.	11,267.
33 Supplies	33	2,497,472.	1,915,630.	443,541.	138,301.
34 Telephone	34	403,362.	334,201.	33,139.	36,022.
35 Postage and shipping	35	529,398.	322,791.	144,320.	62,287.
36 Occupancy	36	7,771,036.	7,623,386.	108,795.	38,855.
37 Equipment rental and maintenance	37	1,619,830.	1,430,301.	189,529.	
38 Printing and publications	38	896,379.	530,271.	243,351.	122,757.
39 Travel	39	4,814,806.	3,545,385.	860,595.	408,826.
40 Conferences, conventions, and meetings	40	857,750.	758,257.	89,190.	10,303.
41 Interest	41	5,566,754.	5,566,754.		
42 Depreciation, depletion, etc. (attach schedule)	42	9,528,993.	9,347,942.	133,406.	47,645.
43 Other expenses not covered above (itemize):					
a	43a				
b	43b				
c	43c				
d	43d				
e	43e				
f	43f				
g SEE STATEMENT 4	43g	26,866,598.	23,933,437.	2,695,635.	237,526.
44 **Total functional expenses.** Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	155,555,752.	137,072,916.	14,979,957.	3,502,879.

Joint Costs. Check ▶ ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ▶ ☐ Yes ☒ No

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

Part III Statement of Program Service Accomplishments *(See the instructions.)*

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

What is the organization's primary exempt purpose? ▶ SEE STATEMENT 6

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

	Description	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a	BABSON COLLEGE PROVIDES STUDENT AID IN THE FORM OF SCHOLARSHIPS & LOANS. THIS PROGRAM ENABLES STUDENTS TO PAY COLLEGE TUITION, FEES, HOUSING, AND OTHER ESSENTIAL COSTS RELATED TO ATTENDING AN INSTITUTION OF HIGHER LEARNING.	
	(Grants and allocations $ 20,633,776.) If this amount includes foreign grants, check here ▶ ☐	20,633,776.
b	INSTRUCTION	
	(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	35,381,134.
c	PLANT & FACILITIES MANAGEMENT	
	(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	34,526,112.
d	AUXILIARY ACTIVITIES	
	(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	14,642,725.
e	Other program services (attach schedule) SEE STATEMENT 7	
	(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	31,889,169.
f	**Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶	137,072,916.

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623021
01-18-07

09110506 130157 BABSON 2006.08020 BABSON COLLEGE BABSON_1

Part IV | Balance Sheets *(See the instructions.)*

Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*			(A) Beginning of year		(B) End of year
Assets					
45 Cash - non-interest-bearing			19,346,899.	45	30,324,211.
46 Savings and temporary cash investments				46	
47 a Accounts receivable	47a	5,755,599.			
b Less: allowance for doubtful accounts	47b	344,398.	5,664,937.	47c	5,411,201.
48 a Pledges receivable	48a	24,192,029.			
b Less: allowance for doubtful accounts	48b	3,204,545.	16,777,214.	48c	20,987,484.
49 Grants receivable				49	
50 a Receivables from current and former officers, directors, trustees, and key employees			196,472.	50a	
b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				50b	
51 a Other notes and loans receivable	51a	3,958,955.			
b Less: allowance for doubtful accounts STMT 8	51b	322,950.	3,376,920.	51c	3,636,005.
52 Inventories for sale or use				52	
53 Prepaid expenses and deferred charges			3,129,086.	53	3,226,252.
54 a Investments - publicly-traded securities STMT 14 ▶ ☐ Cost ☒ FMV			154,284,048.	54a	158,333,916.
b Investments - other securities STMT 13 ▶ ☐ Cost ☒ FMV			38,854,500.	54b	61,728,205.
55 a Investments - land, buildings, and equipment: basis	55a				
b Less: accumulated depreciation	55b			55c	
56 Investments - other				56	
57 a Land, buildings, and equipment: basis	57a	290,751,466.			
b Less: accumulated depreciation STMT 9	57b	142,906,410.	150,598,595.	57c	147,845,056.
58 Other assets, including program-related investments (describe ▶ BOND DEPOSITS WITH TRUSTEE)			7,702,672.	58	2,849,877.
59 **Total assets** (must equal line 74). Add lines 45 through 58			399,931,343.	59	434,342,207.
Liabilities					
60 Accounts payable and accrued expenses			13,286,411.	60	13,601,753.
61 Grants payable				61	
62 Deferred revenue			8,881,577.	62	10,417,383.
63 Loans from officers, directors, trustees, and key employees				63	
64 a Tax-exempt bond liabilities STMT 10			91,245,565.	64a	94,764,237.
b Mortgages and other notes payable STMT 11			35,831,520.	64b	29,758,880.
65 Other liabilities (describe ▶ SEE STATEMENT 12)			5,940,415.	65	6,403,627.
66 **Total liabilities.** Add lines 60 through 65			155,185,488.	66	154,945,880.
Net Assets or Fund Balances					
Organizations that follow SFAS 117, check here ▶ ☒ and complete lines 67 through 69 and lines 73 and 74.					
67 Unrestricted			111,128,116.	67	121,389,621.
68 Temporarily restricted			67,807,912.	68	85,966,605.
69 Permanently restricted			65,809,827.	69	72,040,101.
Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74.					
70 Capital stock, trust principal, or current funds				70	
71 Paid-in or capital surplus, or land, building, and equipment fund				71	
72 Retained earnings, endowment, accumulated income, or other funds				72	
73 **Total net assets or fund balances.** Add lines 67 through 69 **or** lines 70 through 72. (Column (A) **must** equal line 19 and column (B) **must** equal line 21)			244,745,855.	73	279,396,327.
74 **Total liabilities and net assets/fund balances.** Add lines 66 and 73			399,931,343.	74	434,342,207.

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623031
01-20-07

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			a	169572448.
b	Amounts included on line **a** but not on Part I, line 12:				
1	Net unrealized gains on investments	b1	23,029,461.		
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify): STUDENT AID	b4	-20633776.		
	Add lines **b1** through **b4**			b	2,395,685.
c	Subtract line **b** from line **a**			c	167176763.
d	Amounts included on Part I, line 12, but not on line **a:**				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify):	d2			
	Add lines **d1** and **d2**			d	0.
e	**Total revenue** (Part I, line 12). Add lines **c** and **d** ▶			e	167176763.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements			a	134921976.
b	Amounts included on line **a** but not on Part I, line 17:				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on Part I, line 20	b2			
3	Losses reported on Part I, line 20	b3			
4	Other (specify):	b4			
	Add lines **b1** through **b4**			b	0.
c	Subtract line **b** from line **a**			c	134921976.
d	Amounts included on Part I, line 17, but not on line **a:**				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify): STUDENT AID	d2	20,633,776.		
	Add lines **d1** and **d2**			d	20,633,776.
e	**Total expenses** (Part I, line 17). Add lines **c** and **d** ▶			e	155555752.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) *(See the instructions.)*

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
SEE STATEMENT 15		1649807.	257,068.	0.

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Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*

			Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 46			
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) SEE STATEMENT 16	75b	X	
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization."	75c		X
	If "Yes," attach a statement that includes the information described in the instructions.			
d	Does the organization have a written conflict of interest policy?	75d	X	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
HENRY DENEAULT C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	0.	238,423.	21,372.	0.
PETER RAMSEY C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	0.	70,833.	7,289.	0.
MICHAEL FETTERS C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	0.	154,969.	20,315.	0.

Part VI Other Information *(See the instructions.)*

			Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS?	77		X
	If "Yes," attach a conformed copy of the changes.			
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	78b	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a		X
b	If "Yes," enter the name of the organization ▶ N/A and check whether it is ☐ exempt or ☐ nonexempt			
81 a	Enter direct or indirect political expenditures. (See line 81 instructions.) 81a 0.			
b	Did the organization file **Form 1120-POL** for this year?	81b		X

Part VI Other Information *(continued)*

			Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) — 82b: N/A			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? N/A	84a		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85	*501(c)(4), (5), or (6) organizations.* **a** Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members — 85c: N/A			
d	Section 162(e) lobbying and political expenditures — 85d: N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices — 85e: N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) — 85f: N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A	85h		
86	*501(c)(7) organizations.* Enter: **a** Initiation fees and capital contributions included on line 12 — 86a: N/A			
b	Gross receipts, included on line 12, for public use of club facilities — 86b: N/A			
87	*501(c)(12) organizations.* Enter: **a** Gross income from members or shareholders — 87a: N/A			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) — 87b: N/A			
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a		X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI ▶	88b		X
89 a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0. ; section 4912 ▶ 0. ; section 4955 ▶ 0.			
b	*501(c)(3) and 501(c)(4) organizations.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.			
e	*All organizations.* At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e		X
f	*All organizations.* Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f		X
g	*For supporting organizations and sponsoring organizations maintaining donor advised funds.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		X

90 a List the states with which a copy of this return is filed ▶ MA

b Number of employees employed in the pay period that includes March 12, 2006 — 90b: 1371

91 a The books are in care of ▶ RICHARD BOWMAN Telephone no. ▶ 781.239.5298

Located at ▶ NICHOLS BUILDING,BABSON COLLEGE, BABSON PARK, MA ZIP + 4 ▶ 02457-0301

			Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91b		X
	If "Yes," enter the name of the foreign country ▶ N/A			
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** Report of Foreign Bank and Financial Accounts.			

Part VI Other Information *(continued)*

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

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

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

Note: *Enter gross amounts unless otherwise indicated.*	Unrelated business income		Excluded by section 512, 513, or 514		
93 Program service revenue:	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	(E) Related or exempt function income
a SEE STATEMENT 17		2,688,344.			136,619,302.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	1,913,640.	
96 Dividends and interest from securities	900003	23,776.	14	2,531,984.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	1,110,585.	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	7,218,951.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		2,712,120.		12,775,160.	136,619,302.

105 **Total** (add line 104, columns (B), (D), and (E)) ▶ 152,106,582.

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

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

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	SEE STATEMENT 18

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

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

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

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

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

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

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

		Yes	No
106	Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		

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

		Yes	No
107	Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		

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

		Yes	No
108	Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?		

Please Sign Here

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

Signature of officer | Date

PHILIP N. SHAPIRO, VP FINANCE & CFO

Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ☐	Preparer's SSN or PTIN (See Gen. Inst. X)
Firm's name (or yours if self-employed), address, and ZIP + 4		EIN	
		Phone no.	

Form **990** (2006)

623164/01-26-07

Form **8453-EO**

Department of the Treasury
Internal Revenue Service

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2006, or tax year beginning JUL 1, 2006, and ending JUN 30, 20 07

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

▶ **See instructions.**

OMB No. 1545-1879

2006

Name of exempt organization: BABSON COLLEGE

Employer identification number: 04-2103544

Part I **Type of Return and Return Information** (Whole Dollars Only)

Check the box for the return for which you are using this Form 8453-EO and enter the applicable amount from the return if any. If you check the box on line **1a, 2a, 3a, 4a, or 5a** below and the amount on that line for the return for which you are filing this form was blank, then leave line **1b, 2b, 3b, 4b, or 5b**, whichever is applicable, blank (that is, do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

1a **Form 990** check here ▶ [X]	**b** **Total revenue,** if any (Form 990, line 12)	**1b**	167176763
2a **Form 990-EZ** check here ▶ [ ]	**b** **Total revenue,** if any (Form 990-EZ, line 9)	**2b**	
3a **Form 1120-POL** check here ▶ [ ]	**b** **Total tax** (Form 1120-POL, line 22)	**3b**	
4a **Form 990-PF** check here ▶ [ ]	**b** **Tax based on investment income** (Form 990-PF, Part VI, line 5)	**4b**	
5a **Form 8868** check here ▶ [ ]	**b** **Balance due** (Form 8868, line 3c)	**5b**	

Part II **Declaration of Officer**

6 [ ] I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

[ ] If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2006 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund.

Sign Here ▶ Philip Shapiro | 5/8/08 ▶ VP FINANCE & CFO
Signature of officer | Date | Title

Part III **Declaration of Electronic Return Originator (ERO) and Paid Preparer** (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Publication 4206, Information for Authorized IRS *e-file* Providers of Exempt Organization Filings. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only

ERO's signature ▶ [signature] | Date 5/8/08 | Check if also paid preparer [ ] | Check if self-employed [ ] | ERO's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ | EIN | Phone no.

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer's Use Only

Preparer's signature ▶ [signature] | Date 5.8.08 | Check if self-employed [ ] | Preparer's SSN or PTIN P00641464

Firm's name (or yours if self-employed), address, and ZIP code ▶ PricewaterhouseCoopers LLP 125 High Street Boston, MA 02110 13-4008324 | EIN 13-4008324 | Phone no. 617-530-5000

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions. Form **8453-EO** (2006)

623061 11-10-06

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information-(See separate instructions.)

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

OMB No. 1545-0047

2006

Name of the organization: BABSON COLLEGE

Employer identification number: 04 2103544

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
PATRICIA J GUINAN-STATEMENT 29 C/O 231 FOREST STREET, BABSON PARK, M	PROFESSOR 40.00	375,911.	26,852.	0.
ALLAN R. COHEN -STATEMENT 29 C/O 231 FOREST STREET, BABSON PARK, M	PROFESSOR 40.00	373,685.	27,402.	0.
JOSEPH R. WEINTRAUB -STATEMENT 29 C/O 231 FOREST STREET, BABSON PARK, M	PROFESSOR 40.00	367,817.	27,017.	0.
ELAINE J. EISENMAN -STATEMENT 29 C/O 231 FOREST STREET, BABSON PARK, M	DEAN 40.00	346,500.	38,737.	0.
DHRUV GREWAL -STATEMENT 29 C/O 231 FOREST STREET, BABSON PARK, M	PROFESSOR 40.00	346,336.	38,503.	0.
Total number of other employees paid over $50,000 ▶	426			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
ARAMARK FACILITY SERVICES 1101 MARKET STREET, PHILADELPHIA, PA 19107	FACILITY MANAGEMENT SERVIC	473,276.
SEYFARTH SHAW ATTORNEYS WORLD TRADE CENTER EAST, SUITE 300, BOSTON, MA 02	LAWYERS	364,486.
FRANKLIN W. OLIN COLLEGE 1735 GREAT AVENUE, NEEDHAM, MA 02492	EDUCATIONAL SERVICES	258,155.
PRICEWATERHOUSE COOPERS LLP 125 HIGH STREET, BOSTON, MA 02110	FINANCIAL SERVICES	174,000.
NEW ENGLAND PENSION CONSULTANTS ONE MAIN STREET, CAMBRIDGE, MA 02142-1524	CONSULTING	141,186.
Total number of others receiving over $50,000 for professional services ▶	32	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
SODEXHO, INC PO BOX 905374, CHARLOTTE, CHARLOTTE, NC 28290	FOOD SERVICE	5815901.
ERLAND CONSTRUCTION INC 83 SECOND AVE., BURLINGTON, MA 01813	CONSTRUCTION	2259734.
CAFCO CONSTRUCTION MANAGEMENT 77 CHARLES STREET SOUTH, BOSTON, MA 02116	CONSTRUCTION	1430146.
ALLEN JAMES & CO. INC. 9 PERSISTENCE COVE, PLYMOUTH, MA 02360	PAINTING SERVICE	871,004.
ZONE MECHANICAL, INC. 54 MIDDLESEX TURNPIKE, BEDFORD, MA 01730	HVAC SERVICES	499,608.
Total number of other contractors receiving over $50,000 for other services ▶	98	

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

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ $ ______ $ ______ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1		X
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)*			
a	Sale, exchange, or leasing of property?	2a		X
b	Lending of money or other extension of credit?	2b		X
c	Furnishing of goods, services, or facilities? SEE STATEMENT 24	2c	X	
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? SEE STATEMENT 25	2d	X	
e	Transfer of any part of its income or assets?	2e		X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) SEE STATEMENT 26	3a	X	
b	Dd the organization have a section 403(b) annuity plan for its employees?	3b	X	
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a		X
b	Did the organization make any taxable distributions under section 4966? N/A	4b		
c	Did the organization make a distribution to a donor, donor advisor, or related person? N/A	4c		
d	Enter the total number of donor advised funds owned at the end of the tax year ▶		N/A	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶		N/A	
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶		0.	
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year ▶		0.	

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

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

5 [ ] A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).

6 [X] A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)

7 [ ] A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).

8 [ ] A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).

9 [ ] A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶

10 [ ] An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)

11a [ ] An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

11b [ ] A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

12 [ ] An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)

13 [ ] An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
[ ] Type I [ ] Type II [ ] Type III-Functionally Integrated [ ] Type III-Other

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

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

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

Part IV-A **Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.** N/A
Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.*

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	0.	0.	0.	0.	0.
24 Line 23 minus line 17					
25 Enter 1% of line 23					

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ▶ 26a N/A

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ▶ 26b N/A

c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ 26c N/A

d Add: Amounts from column (e) for lines: 18 ____ 19 ____ 22 ____ 26b ____ ▶ 26d N/A

e Public support (line 26c minus line 26d total) ▶ 26e N/A

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f N/A %

27 **Organizations described on line 12: a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return.** Enter the sum of such amounts for each year:

(2005) ____ (2004) ____ (2003) ____ (2002) ____

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year:

(2005) ____ (2004) ____ (2003) ____ (2002) ____

c Add: Amounts from column (e) for lines: 15 ____ 16 ____ 17 ____ 20 ____ 21 ____ ▶ 27c N/A

d Add: Line 27a total ____ and line 27b total ____ ▶ 27d N/A

e Public support (line 27c total minus line 27d total) ▶ 27e N/A

f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶ 27f N/A

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g N/A %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h N/A %

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return.** Do not include these grants in line 15.

Part V **Private School Questionnaire** (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	X	
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30	X	
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31	X	
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) BABSON COLLEGE PROHIBITS DISCRIMINATING ON THE BASIS OF RACE, COLOR, NATIONAL, OR ETHNIC ORIGIN, RELIGION, SEX, LIFESTYLE, SEXUAL ORIENTATION PREFERENCE, AGE, HANDICAP, OR VETERAN STATUS.THIS POLICY IS PUBLISHED IN FACULTY & STAFF HANDBOOK.			
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	X	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	X	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	X	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	X	
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		X
b	Admissions policies?	33b		X
c	Employment of faculty or administrative staff?	33c		X
d	Scholarships or other financial assistance?	33d		X
e	Educational policies?	33e		X
f	Use of facilities?	33f		X
g	Athletic programs?	33g		X
h	Other extracurricular activities?	33h		X
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	X	
b	Has the organization's right to such aid ever been revoked or suspended?	34b		X
	If you answered "Yes" to either 34a or b, please explain using an attached statement. SEE STATEMENT 27			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	X	

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
If the amount on line 40 is - / **The lobbying nontaxable amount is -**			
Not over \$500,000 — 20% of the amount on line 40			
Over \$500,000 but not over \$1,000,000 — \$100,000 plus 15% of the excess over \$500,000			
Over \$1,000,000 but not over \$1,500,000 — \$175,000 plus 10% of the excess over \$1,000,000	41		
Over \$1,500,000 but not over \$17,000,000 — \$225,000 plus 5% of the excess over \$1,500,000			
Over \$17,000,000 — \$1,000,000			
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period				N/A
Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B **Lobbying Activity by Nonelecting Public Charities**
(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines **c** through **h.**)			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities. SEE STATEMENT 28

Part VII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 13 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions:			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received: N/A

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☒ No

b If "Yes," complete the following schedule: N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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FORM 990 RENTAL INCOME STATEMENT 1

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
RENTAL REAL ESTATE	1	1,110,585.
TOTAL TO FORM 990, PART I, LINE 6A		1,110,585.

FORM 990 GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES STATEMENT 2

DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
SALE OF SECURITIES	65,210,449.	57,991,498.	0.	7,218,951.
TO FORM 990, PART I, LINE 8	65,210,449.	57,991,498.	0.	7,218,951.

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 3

DESCRIPTION	AMOUNT
UNREALIZED GAIN ON INVESTMENTS	23,440,989.
UNREALIZED LOSS ON SWAP AGREEMENT	-411,528.
TOTAL TO FORM 990, PART I, LINE 20	23,029,461.

FORM 990 OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
FOOD & BEVERAGE SERVICES	6,995,855.	6,995,855.		
OTHER EXPENSES	2,487,651.	1,876,703.	600,343.	10,605.
COMMUNICATION & INFORMATION	2,661,231.	2,347,601.	285,958.	27,672.
CONSUMABLE EQUIPMENT	3,657,099.	3,536,892.	120,207.	
PURCHASED SERVICES	2,073,868.	852,099.	1,221,769.	
CONSULTING	3,254,376.	2,769,254.	286,147.	198,975.
ROOM, CONFERENCES, & ADMINISTRATION	2,985,305.	2,985,305.		
ADVERTISING & MEDIA	2,675,127.	2,569,728.	105,125.	274.
INCOME TAXES	76,086.		76,086.	
TOTAL TO FM 990, LN 43	26,866,598.	23,933,437.	2,695,635.	237,526.

FORM 990 NONCASH GRANTS AND ALLOCATIONS STATEMENT 5

CLASS OF ACTIVITY: PROGRAM SERVICES

DONEE'S NAME AND ADDRESS

VARIOUS

RELATIONSHIP OF DONEE	DESCRIPTION OF PROPERTY	DATE OF GIFT
	SCHOLARSHIPS AND AID GIVEN TO INDIVIDUAL	

METHOD USED TO DETERMINE BOOK VALUE

METHOD USED TO DETERMINE FAIR MARKET VALUE	BOOK VALUE	AMOUNT GIVEN
	0.	20,633,776.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22B		20,633,776.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 6
PART III

EXPLANATION

BABSON COLLEGE IS A GLOBAL LEADER IN MANAGEMENT EDUCATION WITH APPROXIMATELY 1700 UNDERGRADUATE AND 1600 GRADUATE ENROLLMENT. WE EDUCATE MEN AND WOMEN TO BE ENTREPRENEURIAL LEADERS IN A RAPIDLY CHANGING WORLD. THROUGHOUT THEIR CAREERS, WE PREPARE THEM TO IDENTIFY OPPORTUNITIES AND INITIATE ACTIONS THAT RESULT IN GENUINE ACCOMPLISHMENT. OUR INNOVATIVE CURRICULA CHALLENGE STUDENTS TO THINK CREATIVELY AND ACROSS DISCIPLINARY BOUNDARIES. WE CULTIVATE THE WILLINGNESS TO TAKE AND MANAGE RISK, THE ABILITY TO ENERGIZE OTHERS TOWARD A GOAL, AND THE COURAGE TO ACT RESPONSIBLY. OUR STUDENTS UNDERSTAND THAT LEADERSHIP REQUIRES BOTH TECHNICAL KNOWLEDGE AND A SOPHISTICATED APPRECIATION OF INSTITUTIONS, SOCIETIES, CULTURES, AND THE SELF. THEY WELCOME THE CHALLENGE OF LEARNING CONTINUOUSLY AND TAKING RESPONSIBILITY FOR THEIR CAREERS. OUR STUDENTS WILL BE KEY CONTRIBUTORS IN ESTABLISHED ENTERPRISES AS WELL AS EMERGING VENTURES.

FORM 990 OTHER PROGRAM SERVICES STATEMENT 7

DESCRIPTION OF OTHER PROGRAM SERVICES	GRANTS AND ALLOCATIONS	EXPENSES
STUDENT SERVICES	0.	12412442.
ACADEMIC SUPPORT	0.	19476727.
TOTAL TO FORM 990, PART III, LINE E		31889169.

FORM 990 OTHER NOTES AND LOANS RECEIVABLE STATEMENT 8

DESCRIPTION	DOUBTFUL ACCT ALLOWANCE	BALANCE DUE
EMPLOYEE LOANS	0.	6,828.
PERKINS LOANS	41,000.	2,914,894.
PRIVATE LOANS	281,950.	1,037,233.
TOTALS INCLUDED ON FORM 990, PART IV, LINE 51	322,950.	3,958,955.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 9

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
BUILDINGS, EQUIPMENTS AND IMPROVEMENTS	290,751,466.	142,906,410.	147,845,056.
TOTAL TO FORM 990, PART IV, LN 57	290,751,466.	142,906,410.	147,845,056.

FORM 990 TAX-EXEMPT BOND LIABILITIES OUTSTANDING STATEMENT 10

PURPOSE OF ISSUE

CONSTRUCTION/RENOVATION - MIFA 97

USE BY THIRD PARTY	UNEXPENDED BOND PROCEEDS	AMOUNT OF ISSUE OUTSTANDING
NO	0.	20,123,983.

PURPOSE OF ISSUE

CONSTRUCTION/RENOVATION -MIFA 98

USE BY THIRD PARTY	UNEXPENDED BOND PROCEEDS	AMOUNT OF ISSUE OUTSTANDING
NO	0.	16,666,985.

PURPOSE OF ISSUE

CONSTRUCTION/RENOVATION -MDFA 2001

USE BY THIRD PARTY	UNEXPENDED BOND PROCEEDS	AMOUNT OF ISSUE OUTSTANDING
NO	0.	35,838,000.

PURPOSE OF ISSUE

CONSTRUCTION/RENOVATION -MDFA 2005

USE BY THIRD PARTY	UNEXPENDED BOND PROCEEDS	AMOUNT OF ISSUE OUTSTANDING
NO	0.	22,135,269.

TOTAL INCLUDED ON FORM 990, PART IV, LINE 64A 94,764,237.

FORM 990 MORTGAGES PAYABLE STATEMENT 11

DESCRIPTION	BALANCE DUE
MA DEVELOPMENT FINANCE AGENCY	29,758,880.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64B, COLUMN B	29,758,880.

FORM 990 OTHER LIABILITIES STATEMENT 12

DESCRIPTION	AMOUNT
GOVERNMENT ADVANCES FOR STUDENT LOANS	2,763,548.
MARKET VALUE OF INTEREST RATE SWAP CONTRACTS	3,640,079.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	6,403,627.

FORM 990 OTHER SECURITIES STATEMENT 13

SECURITY DESCRIPTION	COST/FMV	OTHER SECURITIES
ALTERNATIVE INVESTMENTS	FMV	61,728,205.
TO FORM 990, LINE 54B, COL B		61,728,205.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 14

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
EQUITY SECURITIES	FMV	123136808.			123136808.
FIXED INCOME SECURITIES	FMV	33,740,863.			33,740,863.
SHORT-TERM INVESTMENTS	FMV	1,456,245.			1,456,245.
TO FORM 990, LINE 54A, COL B		158333916.			158333916.

FORM 990 PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 15

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
KELLY A. AYOTTE C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
MARK H. BELL C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
THE HONORABLE CRAIG BENSON C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
THOMAS J. BLISCHOK C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
WILLIAM G. BURRILL C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
KAREN K. CHANDOR C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
STEPHEN D. CUTLER C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
EVERETT R. DOWLING C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
EDSEL B. FORD, II C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
THOMAS F. GILBANE, JR C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
GLORIA M. GUTIERREZ C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.

MUHAMMAD H. HABIB C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
BRUCE T. HERRING C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
N. LYLE HOWLAND C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
ANN B. HUTCHINS C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
ESTEFANO E. ISAIAS, SR. C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
FRANCIS P. JENKINS, JR C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
ERIC G. JOHNSON C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
KATHRYN D. KARLIC, CFA C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
CLEVE L. KILLINGSWORTH C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
STEVEN C. KLETJIAN C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
DAVID F. LAMERE C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
ANDRONICO LUKSIC C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
JOHN B. LANDRY, III C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.

WILLIAM F. MARKEY, JR C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
PATRICK MCGONAGLE C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
DR. RICHARD K. MILLER C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
RENA P. MIRKIN C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
JEREMIAH J. NOONAN C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
RICHARD A. RENWICK C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
THOMAS N. RILEY C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
ROBERT M. ROSENBERG C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
GOBIND SAHNEY C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
THOMAS T. STALLKAMP -STATEMENT 20 C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	5,000.	0.	0.
JAMES W. TAYLOR C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
WILLIAM J. TEUBER C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
DELIA H. THOMPSON C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.

AARON M. WALTON C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
LAWRENCE WEBER C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
RONALD G. WEINER C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
ROBERT E. WEISSMAN C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
JOSEPH L. WINN C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
ANTHONY C. WOODRUFF C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
CARY L. ZWERLING C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	TRUSTEE 1.20	0.	0.	0.
BRIAN M.BAREFOOT -STATEMENT 20 C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	PRESIDENT 40.00	288,400.	34,775.	0.
PATRICIA GREENE -STATEMENT 20 C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	PROVOST 40.00	244,750.	79,508.	0.
MARY ROSE C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	V.P. FOR ADMINISTRATION 40.00	195,000.	23,471.	0.
RICHARD VOOS -STATEMENT 20 C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	V.P. FOR ADVANCEMENT 40.00	220,000.	22,301.	0.
PHILIP SHAPIRO C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	V.P. FOR FINANCE AND CFO 40.00	255,000.	38,651.	0.
E. SCOTT TIMMINS C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	V.P. FOR MARKETING 40.00	318,600.	38,690.	0.

CAROL HACKER C/O BABSON COLLEGE BABSON PARK, MA 02457-0310	CLERK 40.00	123,057.	19,672.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		1,649,807.	257,068.	0.

FORM 990 EXPLANATION OF RELATIONSHIP STATEMENT 16
PART V-A, LINE 75B

INDIVIDUAL'S NAME	TITLE OR ROLE
STATEMENT 24	STATEMENT 24

INDIVIDUAL'S NAME	TITLE OR ROLE
STATEMENT 24	STATEMENT 24

EXPLANATION OF RELATIONSHIP

STATEMENT 24

INDIVIDUAL'S NAME	TITLE OR ROLE
STATEMENT 24	STATEMENT 24

INDIVIDUAL'S NAME	TITLE OR ROLE
STATEMENT 24	STATEMENT 24

EXPLANATION OF RELATIONSHIP

STATEMENT 24

FORM 990 PROGRAM SERVICE REVENUE STATEMENT 17

DESCRIPTION	BUS CODE	UNRELATED BUSINESS INC	EXCL CODE	EXCLUDED AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
TUITION & FEES					100,843,653.
ROOM & BOARD					17,062,697.
OTHER ED PROG/AUXILIARY ACTIVITY	721000	2,048,707.			
OTHER ED PROG/AUXILIARY ACTIVITY	713990	639,637.			
OTHER ED PROG/AUXILIARY ACTIVITY					18,712,952.
TO FORM 990, PART VII, LINE 93		2,688,344.			136,619,302.

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES STATEMENT 18

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	THE TUITION AND FEES RECEIVED BY BABSON COLLEGE ARE USED TO OPERATE
93A	THE EDUCATIONAL INSTITUTION, WHICH OFFERS BOTH UNDERGRADUATE AND
93A	GRADUATE COURSES. THE COLLEGE'S EMPHASIS IS ON BUSINESS CURRICULUM
93B	ROOM AND BOARD ARE AN INTEGRAL PART OF THE EDUCATIONAL EXPERIENCE AT
93B	BABSON COLLEGE.
93C	CONTINUING AND NONDEGREE EDUCATIONAL PROGRAMS AND AUXILIARY ACTIVITIES
93C	INCLUDING, ICE RINK, BOOKSTORE, ALUMNI RELATIONS,PUBLIC SAFETY AND
93C	SUMMER PROGRAMS

GENERAL EXPLANATION STATEMENT 19

FORM 990 PAGE 3 -CONTINUED FROM STATEMENT 6

AT BABSON, WE COLLABORATE ACROSS DISCIPLINES AND FUNCTIONS TO CREATE KNOWLEDGE AND APPLY INTERGRATED SOLUTIONS TO COMPLEX PROBLEMS. WE REACH ACROSS INSTITUTIONAL BOUNDARIES TO FORGE RELATIONSHIP WITH INDIVIDUALS AND ORGANIZATIONS THAT SHARE OUR COMMITMENT TO EXCELLENCE AND INNOVATION.

GENERAL EXPLANATION STATEMENT 20

FORM 990 PAGE 5 PART V-A -ADDITIONAL TRUSTEE & OFFICERS INFORMATION

THOMAS STALLKAMP RECEIVES NO COMPENSATION FOR HOLDING THE POSITION OF TRUSTEE. ALL HIS COMPENSATION RELATED TO HIS POSITION AS A PROFESSOR.

THE PRESIDENT OF THE COLLEGE IS PROVIDED HOUSING AS A CONDITION OF EMPLOYMENT FOR THE CONVENIENCE OF THE EMPLOYER.

PATRICIA GREENE'S BENEFIT CONTRIBUTION AMOUNT INCLUDES $51,610 TUITION BENEFIT.

RICHARD VOOS SERVED AS A CLERK OF THE BOARD OF TRUSTEES FROM JULY 1 TO DECEMBER 12, 2007. AND V.P. FOR ADVANCEMENT FROM DECEMBER 13 THROUGH JUNE 30, 2007.

GENERAL EXPLANATION STATEMENT 21

FORM 990 PG 4 AND LINE 51A -OTHER NOTES AND LOANS RECEIVABLE AND STATEMENT 8

THE COLLEGE MAKES INDIVIDUAL LOANS TO EMPLOYEES FOR HARDSHIP PURPOSES NOT TO EXCEED $5,000. THESE LOANS ARE PAID BACK TO THE COLLEGE THROUGH PAYROLL DEDUCTIONS OVER A PERIOD NOT TO EXCEED 2 YEARS. INTEREST IS CHARGED AT CURRENT MARKET RATES.

GENERAL EXPLANATION STATEMENT 22

FORM 990 STATEMENT 10 -TAX EXEMPT BOND LIABILITIES OUTSTANDING

THE THIRD PARTY USE OF THE BOND-FINANCED FACILITY IS BELOW THE ALLOWABLE LIMIT.

GENERAL EXPLANATION STATEMENT 23

FORM 990, PART IV, LINE 50A

A SECURED TERM NOTE WAS ISSUED TO PETER RAMSEY, FORMER V.P. OF DEVELOPMENT AND ALUMNI AFFAIRS, IN THE AMOUNT OF $200,000 ON JULY 19, 2004 AND INTEREST IS CHARGED AT 6.875% PER ANNUM.

THE OUTSTANDING PRINCIPAL AND INTEREST WERE PAID OFF DURING FY 2007.

NAME	BEGINNING BALANCE	ENDING BALANCE
PETER RAMSEY	$196,472.00	$ 0.00

SCHEDULE A — EXPLANATION OF TRANSACTIONS — PART III, LINE 2C — STATEMENT 24

TRUSTEE/ TITLE	COMPANY	SERVICES RENDERED	AMOUNT PAID
RICHARD K. MILLER PRESIDENT	FRANKLIN W. OLIN COLLEGE OF ENGINEERING	BUSINESS/ACADEMIC SERVICES	$258,155 PAID BY BABSON COLLEGE 943,706 PAID BY OLIN
LAWRENCE WEBER CHAIRMAN	DIGITAL INFLUENCE GROUP	DIGITAL COMMUNI./ MARKETING	BABSON PAID $20,780
WILLIAM F. MARKEY, JR PRESIDENT& MAJORITY SHAREHOLDER	THE WILMARK GROUP	TEMPORARY STAFFING SERVICES THROUGH WINSTAFF DIVISION	BABSON PAID $89,531
STEPHEN D. CUTLER PRESIDENT	ESSEX INVESTMENT MANAGEMENT CO. LLC	INVESTMENT SERVICES	VENTURE CAPITAL FUND INVESTMENT. BABSON PAID NO FEES IN FY07 VALUE OF INVESTMENT AT JUNE 30, $180,000
JAMES W. TAYLOR SR. V.P. INVESTMENTS	SMITH BARNEY	INVESTMENT SERVICES	BABSON PAID $5,000
BRUCE HERRING CHIEF INVEST. INVEST. OFFICER	FIDELITY INVESTMENTS	403(B) PROVIDER	403(B) PROVIDER BABSON PAID $85,726 MARKET VALUE OF AT JUNE 30 $9.8 MILLION
CLEVE KILLING -SWORTH PRESIDENTS & CEO	BLUE CROSS BLUE SHIELD	HEALTH CARE INSUR. PROVIDER/EXECUTIVE EDUCATION	BABSON PAID $5,775,760 FEES (BABSON SHARE $4,189,381) BCBS PAID TO BABSON $282,000.
WILLIAM J.	EMC CORP.	EXECUTIVE	EMC PAID BABSON

TEUBER, JR. VICE CHAIRMAN	EDUCATION	$1.8 MILLION

MEMBERS OF GOVERNANCE OF THE ORGANIZATION MAY BE AFFILIATED WITH OR MAY BE DIRECTORS OF VARIOUS COMPANIES IN THE COMMUNITY WHICH MAY HAVE A BUSINESS RELATIONSHIP WITH THE ORGANIZATION. PURCHASING DECISIONS ARE NOT MADE BY THESE INDIVIDUALS. ALL TRANSACTIONS ARE MADE WITHIN THE NORMAL COURSE OF BUSINESS AND ARE CONDUCTED AT ARM'S LENGTH.

SCHEDULE A | EXPLANATION OF TRANSACTIONS PART III, LINE 2D | STATEMENT 25

SEE FORM 990, PART V

SCHEDULE A EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS STATEMENT 26
PART III, LINE 3A

WHEN FAMILY AND STUDENT RESOURCES ARE INSUFFICIENT TO MEET THE TOTAL COST OF EDUCATION, THE COLLEGE ATTEMPTS TO ASSIST STUDENTS TO PURSUE A HIGHER EDUCATION AT BABSON COLLEGE THROUGH THE USE OF FINANCIAL AID. THE FINANCIAL AID PROCESS CONSISTS OF NEED DETERMINATION, ANNUAL ESTIMATED COSTS, AND EXPECTED FAMILY CONTRIBUTION.
FINANCIAL AID MAY BE SIMPLY DEFINED AS THE DIFFERENCE BETWEEN THE TOTAL COST OF THE EDUCATION AND THE AMOUNT OF MONEY THE FAMILY AND STUDENT CAN REASONABLY MAKE AVAILABLE TO MEET THESE EXPENSES.
THE STUDENT BUDGET USED TO CALCULATE FINANCIAL NEED COVERS AN ALLOWANCE FOR TUITION AND FEES, ROOM & BOARD, BOOKS & SUPPLIES, TRAVEL, AND PERSONAL EXPENSES.

SCHEDULE A GOVERNMENT FINANCIAL ASSISTANCE STATEMENT STATEMENT 27
PART V, LINE 34

SCHEDULE A PART III LINE 34A
BABSON COLLEGE RECEIVES FEDERAL AID TO ENHANCE SCHOLARSHIP AND WORK STUDY PROGRAMS.

SCHEDULE A STATEMENT OF LOBBYING ACTIVITIES - PART VI-B STATEMENT 28

THE ORGANIZATION PAYS MEMBERSHIP DUES TO MEMBER ORGANIZATIONS WHICH MAY ENGAGE IN LOBBYING ACTIVITIES. THEREFORE, A PORTION OF THE DUES MAY BE ATTRIBUTABLE TO LOBBYING ACTIVITIES.

SCHEDULE A GENERAL EXPLANATION STATEMENT 29

FORM 990 SCHEDULE A, PART I -FACULTY SALARY

FACULTY SALARIES INCLUDE COMPENSATION RELATED TO SERVICES PERFORMED IN CONNECTION WITH THE TRADITIONAL ACADEMIC PROGRAMS AS WELL AS COMPENSATION EARNED FOR ADDITIONAL SERVICES RELATED TO THE DEVELOPMENT AND/OR DELIVERY OF CONTENT RELATED TO THE BABSON EXECUTIVE EDUCATION PROGRAM.