

**Return of Private Foundation  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation**

**2006**

Department of the Treasury  
Internal Revenue Service

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2006, or tax year beginning July 1, 2006, and ending June 30, 2007

G Check all that apply:  Initial return  Final return  Amended return  Address change  Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation Harris Foundation		A Employer identification number 34-6520425
	Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 11 of the instructions) 321-727-9253
	City or town, state, and ZIP code Melbourne FL 32919		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 2,617,422		J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	
			E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	1,000,000			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	27,740	27,740		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	172,303			
	b Gross sales price for all assets on line 6a 1,675,000				
	7 Capital gain net income (from Part IV, line 2)		172,303		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)		0			
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	1,200,043	200,043	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	1,300			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule) Stmt 1	34,108			34,108	
24 Total operating and administrative expenses. Add lines 13 through 23	35,408	0	0	34,108	
25 Contributions, gifts, grants paid	2,322,410			2,333,056	
26 Total expenses and disbursements. Add lines 24 and 25	2,357,818	0	0	2,367,164	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	(1,157,775)				
b Net investment income (if negative, enter -0-)		200,043			
c Adjusted net income (if negative, enter -0-)			0		

**RECEIVED**  
300 MAY 21 2008 IRS-OSC  
OGDEN, UT

28

SCANNED MAY 22 2008

<b>Part II Balance Sheets</b> Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions)		Beginning of year		End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
<b>Assets</b>	1 Cash—non-interest-bearing . . . . .	150,000			
	2 Savings and temporary cash investments . . . . .				
	3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶				
	4 Pledges receivable ▶ 2,199,926 Less: allowance for doubtful accounts ▶	3,198,384	2,199,926	2,199,926	
	5 Grants receivable . . . . .				
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions) . . . . .				
	7 Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶				
	8 Inventories for sale or use . . . . .				
	9 Prepaid expenses and deferred charges . . . . .				
	10a Investments—U S. and state government obligations (attach schedule)	200,000	0		
	b Investments—corporate stock (attach schedule) Stmt. 2	1,197,927	396,429	396,429	
	c Investments—corporate bonds (attach schedule) . . . . .				
	11 Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶				
	12 Investments—mortgage loans . . . . .				
	13 Investments—other (attach schedule) . . . . .				
	14 Land, buildings, and equipment: basis ▶ Less accumulated depreciation (attach schedule) ▶				
15 Other assets (describe ▶ <u>Statement 3</u> )	36,036	21,067	21,067		
16 <b>Total assets</b> (to be completed by all filers—see page 17 of the instructions. Also, see page 1, item I) . . . . .	4,782,347	2,617,422	2,617,422		
<b>Liabilities</b>	17 Accounts payable and accrued expenses . . . . .	79,979	51,050		
	18 Grants payable . . . . .	3,198,384	2,199,926		
	19 Deferred revenue . . . . .				
	20 Loans from officers, directors, trustees, and other disqualified persons . . . . .				
	21 Mortgages and other notes payable (attach schedule) . . . . .				
	22 Other liabilities (describe ▶ _____) )				
	23 <b>Total liabilities</b> (add lines 17 through 22) . . . . .	3,278,363	2,250,976		
<b>Net Assets or Fund Balances</b>	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted . . . . .	(1,694,400)	366,446		
	25 Temporarily restricted . . . . .	3,198,384			
	26 Permanently restricted . . . . .				
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds . . . . .				
	28 Paid-in or capital surplus, or land, bldg, and equipment fund . . . . .				
29 Retained earnings, accumulated income, endowment, or other funds . . . . .					
30 <b>Total net assets or fund balances</b> (see page 18 of the instructions) . . . . .	1,503,984	366,446			
31 <b>Total liabilities and net assets/fund balances</b> (see page 18 of the instructions) . . . . .	4,782,347	2,617,422			

<b>Part III Analysis of Changes in Net Assets or Fund Balances</b>			
1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) . . . . .	1	1,503,984	
2 Enter amount from Part I, line 27a . . . . .	2	(1,157,775)	
3 Other increases not included in line 2 (itemize) ▶ <u>Unrealized Gain on Investments</u>	3	20,237	
4 Add lines 1, 2, and 3 . . . . .	4	366,446	
5 Decreases not included in line 2 (itemize) ▶ _____	5		
6 <b>Total net assets or fund balances at end of year</b> (line 4 minus line 5)—Part II, column (b), line 30	6	366,446	

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a See Statement 4				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a			0	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss) $\left\{ \begin{array}{l} \text{If gain, also enter in Part I, line 7} \\ \text{If (loss), enter -0- in Part I, line 7} \end{array} \right\}$		2	172,303	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 18 of the instructions). If (loss), enter -0- in Part I, line 8		3		

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 19 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2005	2,280,706	1,822,757	1.2512
2004	1,994,484	1,578,114	1.2638
2003	728,793	1,045,812	0.6969
2002	804,120	1,474,361	0.5454
2001	1,406,503	2,760,314	0.5095
2 Total of line 1, column (d)			4.2668
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			.85336
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5			1,373,065
5 Multiply line 4 by line 3			1,171,719
6 Enter 1% of net investment income (1% of Part I, line 27b)			2,000
7 Add lines 5 and 6			1,173,719
8 Enter qualifying distributions from Part XII, line 4			2,367,164

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 19.

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 19 of the instructions)**

<b>1a</b> Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary—see instructions)		
<b>b</b> Domestic foundations that meet the section 4940(c) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>	2,000
<b>c</b> All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
<b>2</b> Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>2</b>	0
<b>3</b> Add lines 1 and 2	<b>3</b>	2,000
<b>4</b> Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>4</b>	0
<b>5</b> <b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>	2,000
<b>6</b> Credits/Payments:		
<b>a</b> 2006 estimated tax payments and 2005 overpayment credited to 2006	<b>6a</b>	3,200
<b>b</b> Exempt foreign organizations—tax withheld at source	<b>6b</b>	
<b>c</b> Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	
<b>d</b> Backup withholding erroneously withheld	<b>6d</b>	
<b>7</b> Total credits and payments. Add lines 6a through 6d	<b>7</b>	3,200
<b>8</b> Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	<b>8</b>	
<b>9</b> <b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	<b>9</b>	0
<b>10</b> <b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	<b>10</b>	1,200
<b>11</b> Enter the amount of line 10 to be: <b>Credited to 2007 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input checked="" type="checkbox"/>	<b>11</b>	1,200

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
<b>1b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 20 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
<b>1c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: <b>(1)</b> On the foundation. ▶ \$ _____ <b>(2)</b> On foundation managers. ▶ \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		X
<b>3</b> Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?		N/A
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
<b>6</b> Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see page 20 of the instructions) ▶ <u>Florida</u>		
<b>b</b> If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	X	
<b>9</b> Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2006 or the taxable year beginning in 2006 (see instructions for Part XIV on page 28)? <i>If "Yes," complete Part XIV</i>		X
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i> Statement 5	X	

**Part VII-A Statements Regarding Activities Continued**

<b>11a</b>	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)		X
<b>b</b>	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?		N/A
<b>12</b>	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?		X
<b>13</b>	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	X	
<b>14</b>	The books are in care of ▶ <u>Harris Corporation</u> Telephone no. ▶ <u>321-727-9253</u> Located at ▶ <u>1025 W NASA Blvd, Melbourne FL</u> ZIP+4 ▶ <u>32919-0001</u>		
<b>15</b>	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶ <u>15</u> N/A		

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
<b>1a</b>	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b>	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>		N/A
<b>c</b>	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2006?		X
<b>2</b>	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
<b>a</b>	At the end of tax year 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20 __ , 20 __ , 20 __ , 20 __		
<b>b</b>	Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to <b>all</b> years listed, answer "No" and attach statement—see page 22 of the instructions.)		N/A
<b>c</b>	If the provisions of section 4942(a)(2) are being applied to ____ of the years listed in 2a, list the years here. ▶ 20 __ , 20 __ , 20 __ , 20 __		
<b>3a</b>	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b>	If "Yes," did it have excess business holdings in 2006 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2006)		N/A
<b>4a</b>	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
<b>b</b>	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2006?		X

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required** *Continued*

**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)  Yes  No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

**b** If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 23 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here  Yes  No

**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No  
If "Yes," attach the statement required by Regulations section 53.4945–5(d).

**6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No  
If you answered "Yes" to 6b, also file Form 8870

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No

**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No

	<b>5b</b>	N/A
	<b>6b</b>	X
	<b>7b</b>	N/A

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

**1 List all officers, directors, trustees, foundation managers and their compensation (see page 23 of 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 and deferred compensation	(e) Expense account, other allowances
See Statement 6				

**2 Compensation of five highest-paid employees (other than those included on line 1—see page 24 of the instructions). If 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 and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ▶

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *Continued*

**3 Five highest-paid independent contractors for professional services (see page 24 of the instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
.....		
.....		
.....		
.....		
.....		

**Total number of others receiving over \$50,000 for professional services** . . . . . ▶ **0**

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc

Expenses

1 Harris Foundation donates money to various educational, health, civic, and cultural organizations.	
2 .....	
3 .....	
4 .....	

**Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Amount

1 NONE	
2 .....	
3 All other program-related investments See page 25 of the instructions	

**Total. Add lines 1 through 3** . . . . . ▶ **0**

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 25 of the instructions.)

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities . . . . .	<b>1a</b>	1,259,806
<b>b</b>	Average of monthly cash balances . . . . .	<b>1b</b>	113,102
<b>c</b>	Fair market value of all other assets (see page 25 of the instructions) . . . . .	<b>1c</b>	21,067
<b>d</b>	<b>Total</b> (add lines 1a, b, and c) . . . . .	<b>1d</b>	1,393,975
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . . .	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets . . . . .	<b>2</b>	0
<b>3</b>	Subtract line 2 from line 1d . . . . .	<b>3</b>	1,393,975
<b>4</b>	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 26 of the instructions) . . . . .	<b>4</b>	20,910
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4 . . . . .	<b>5</b>	1,373,065
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5 . . . . .	<b>6</b>	68,653

**Part XI Distributable Amount** (see page 26 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

<b>1</b>	Minimum investment return from Part X, line 6 . . . . .	<b>1</b>	68,653
<b>2a</b>	Tax on investment income for 2006 from Part VI, line 5 . . . . .	<b>2a</b>	2,000
<b>b</b>	Income tax for 2006. (This does not include the tax from Part VI) . . . . .	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b . . . . .	<b>2c</b>	2,000
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1 . . . . .	<b>3</b>	66,653
<b>4</b>	Recoveries of amounts treated as qualifying distributions . . . . .	<b>4</b>	
<b>5</b>	Add lines 3 and 4 . . . . .	<b>5</b>	66,653
<b>6</b>	Deduction from distributable amount (see page 26 of the instructions) . . . . .	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1 . . . . .	<b>7</b>	66,653

**Part XII Qualifying Distributions** (see page 26 of the instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26 . . . . .	<b>1a</b>	2,367,164
<b>b</b>	Program-related investments—total from Part IX-B . . . . .	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes . . . . .	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required) . . . . .	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule) . . . . .	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 . . . . .	<b>4</b>	2,367,164
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 27 of the instructions) . . . . .	<b>5</b>	2,000
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 . . . . .	<b>6</b>	2,365,164

**Note:** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.



**Part XIII Undistributed Income** (see page 27 of the instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
<b>1</b> Distributable amount for 2006 from Part XI, line 7				66,653
<b>2</b> Undistributed income if any, as of the end of 2005				
<b>a</b> Enter amount for 2005 only				
<b>b</b> Total for prior years 20__20__20__				
<b>3</b> Excess distributions carryover, if any, to 2006.				
<b>a</b> From 2001	1,270,763			
<b>b</b> From 2002	731,550			
<b>c</b> From 2003	677,482			
<b>d</b> From 2004	1,920,406			
<b>e</b> From 2005	2,192,746			
<b>f</b> Total of lines 3a through e	6,792,947			
<b>4</b> Qualifying distributions for 2006 from Part XII, line 4 ▶ \$ <u>2,367,164</u>				
<b>a</b> Applied to 2005 but not more than line 2a				
<b>b</b> Applied to undistributed income of prior years (Election required—see page 27 of the instructions)				
<b>c</b> Treated as distributions out of corpus (Election required—see page 27 of the instructions)				
<b>d</b> Applied to 2006 distributable amount				66,653
<b>e</b> Remaining amount distributed out of corpus	2,300,511			
<b>5</b> Excess distributions carryover applied to 2006. (If an amount appears in column (d), the same amount must be shown in column (a))				
<b>6</b> Enter the net total of each column as indicated below				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	9,093,458			
<b>b</b> Prior years undistributed income. Subtract line 4b from line 2b		0		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued or on which the section 4942(a) tax has been previously assessed				
<b>d</b> Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions		0		
<b>e</b> Undistributed income for 2005. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			0	
<b>f</b> Undistributed income for 2006. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2007				0
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 28 of the instructions)				
<b>8</b> Excess distributions carryover from 2001 not applied on line 5 or line 7 (see page 28 of the instructions)	1,270,763			
<b>9</b> Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	7,822,695			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2002	731,550			
<b>b</b> Excess from 2003	677,482			
<b>c</b> Excess from 2004	1,920,406			
<b>d</b> Excess from 2005	2,192,746			
<b>e</b> Excess from 2006	2,300,511			

**Part XIV Private Operating Foundations** (see page 28 of the instructions and Part VII-A, question 9)

- 1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2006, enter the date of the ruling ▶ N/A
- b** Check box to indicate whether the foundation is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

	Tax year				(e) Total
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .					0
<b>b</b> 85% of line 2a . . . . .	0	0	0	0	0
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . . .					0
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					0
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .	0	0	0	0	0
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test—enter:					
<b>(1)</b> Value of all assets . . . . .					0
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					0
<b>b</b> "Endowment" alternative test—enter 1/2 of minimum investment return shown in Part X, line 6 for each year listed . . . . .					0
<b>c</b> "Support" alternative test—enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					0
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					0
<b>(3)</b> Largest amount of support from an exempt organization . . . . .					0
<b>(4)</b> Gross investment income . . . . .					0

**Part XV Supplementary Information** (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of the instructions.)

- 1 Information Regarding Foundation Managers:**
- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

N/A

- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

N/A

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here  if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

- a** The name, address, and telephone number of the person to whom applications should be addressed:

N/A

- b** The form in which applications should be submitted and information and materials they should include:

N/A

- c** Any submission deadlines:

N/A

- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

N/A

**Part XV Supplementary Information (continued)**

**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<b>a Paid during the year</b>				
See Statement 7				2,333,056
<b>Total</b>				<b>▶ 3a</b> 2,333,056
<b>b Approved for future payment</b>				
Georgia Institute of Technology & North Carolina State University			Education	200,000
Pearl Harbor Memorial Fund			Civic & Cultural	100,000
Purdue University & Rochester Institute of Technology			Education	280,000
University of Central Florida			Education	1,200,000
University of Florida & Other Education			Education	419,926
<b>Total</b>				<b>▶ 3b</b> 2,199,926







HARRIS FOUNDATION  
EIN: 34-6520425  
FORM 990-PF  
FISCAL YEAR ENDED 6/30/07

STATEMENT 1

**Part I, Line 18 - Taxes**

---

Taxes paid relating to the current year's return	1,300
Deferred	<u>0</u>
<b>Total Taxes</b>	<b><u>1,300</u></b>

**Part I, Line 23 - Other Expenses**

---

Audit Fees	4,000
Bank Charges	20,061
Legal Fees	9,642
Tax Expense	<u>405</u>
<b>Total Other Expenses</b>	<b><u>34,108</u></b>

HARRIS FOUNDATION  
EIN: 34-6520425  
FORM 990-PF  
FISCAL YEAR ENDED 6/30/07

STATEMENT 2

<u>Part II, Line 10 - Investments</u>	<u>(b) Book Value</u>	<u>(c) FMV</u>
T Rowe Price Equity Income Fund	161,091	161,091
BT Mutual Institutional Equity 500 Index Fund	<u>235,338</u>	<u>235,338</u>
<b>Total Equity Investments - Line 10b</b>	<b><u>396,429</u></b>	<b><u>396,429</u></b>



HARRIS FOUNDATION  
EIN: 34-6520425  
FORM 990-PF  
FISCAL YEAR ENDED 6/30/07

STATEMENT 3

<u>Part II, Line 15 - Other Assets</u>	<u>(b) Book Value</u>	<u>(c) FMV</u>
Prepaid Taxes	1,090	1,090
Other receivables	<u>19,977</u>	<u>19,977</u>
<b>Total Other Assets</b>	<b><u>21,067</u></b>	<b><u>21,067</u></b>

**Harris Foundation**  
**EIN: 34-6520425**  
**FORM 990-PF**  
**FISCAL YEAR ENDED 6/30/07**

**STATEMENT 4**

**Part IV, Line 1 - Capital Gains and Losses for Tax on Investment Income**

(a) List and Describe Property Sold	(b) How Acquired	(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(f) Depr. Allowed	(g) Basis Plus Sales Expense	(h) Gain or (Loss)
1a Equity Income Fund (2,836.61 Shares)	P	Various	7/21/2006	\$75,000		\$74,759	\$241
b Equity Income Fund (1,813.57 Shares)	P	Various	9/8/2006	50,000		47,797	2,203
c Equity Income Fund (3,542.33 Shares)	P	Various	9/25/2006	100,000		93,358	6,642
d Equity Income Fund (8,517.89 Shares)	P	Various	12/22/2006	250,000		235,527	14,473
e Equity Income Fund (12,783.64 Shares)	P	Various	6/28/2007	400,000		353,479	46,521
f Equity 500 Index Fund (338.662 Shares)	P	Various	9/8/2006	50,000		47,598	2,402
g Equity 500 Index Fund (666.001 Shares)	P	Various	9/25/2006	100,000		93,605	6,395
h Equity 500 Index Fund (1,565.925 Shares)	P	Various	12/22/2006	250,000		223,490	26,510
i Equity 500 Index Fund (2,346.041 Shares)	P	Various	6/28/2007	400,000		352,122	47,877
k Equity Income Fund (LT gain Distribution)	P	Various	12/31/2006	12,583		0	12,583
l Equity Income Fund (LT gain Distribution)	P	Various	3/31/2007	6,455		0	6,455
				\$1,694,038		\$1,521,734	\$172,303

**HARRIS FOUNDATION**  
**EIN: 34-6520425**  
**FORM 990-PF**  
**FISCAL YEAR ENDED 6/30/07**

**STATEMENT 5**

**Part I, Schedule of Contributions Received - Line 1**  
**Part VII-A, Statements Regarding Activities - Line 10**

---

Harris Corporation (EIN: 34-0276860), 1025 W. NASA Blvd., Melbourne, FL 32919 is the sole contributor into the Harris Foundation. Contributions into the Harris Foundation for the year ending 6/30/07 were \$ 1,000,000.

Harris Foundation  
EIN: 34-6520425  
FORM 990-PF  
FISCAL YEAR ENDED 6/30/07

STATEMENT 6

**Part VIII, Line 1 - Officers, Directors, and Trustees**

(A) Name & Address	(B) Title	Time Devoted	(C) Compensation	(D) Contributions to Plans	(E) Expense Account
H. L. Lance 1025 W. NASA Blvd. Melbourne, FL 32919	President & Trustee	As Required	None	None	None
J. S. Shuman 1025 W. NASA Blvd. Melbourne, FL 32919	Vice President & Trustee	As Required	None	None	None
G L. McArthur 1025 W NASA Blvd. Melbourne, FL 32919	Treasurer & Trustee	As Required	None	None	None
B. M. Morrish 1025 W. NASA Blvd. Melbourne, FL 32919	Trustee	As Required	None	None	None
S. T. Mikuen 1025 W. NASA Blvd. Melbourne, FL 32919	Secretary & Trustee	As Required	None	None	None

**HARRIS FOUNDATION**  
**EIN: 34-6520425**  
**FORM 990-PF**  
**FISCAL YEAR ENDED 6/30/07**

**STATEMENT 7**

**Part XV, Line 3a - Grants and Contributions Paid During the Year**

Name of Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Purpose of grant or contribution	Amount
AFCEA Educational Foundation	N/A	General Use	5,000
Alzheimers Foundation	N/A	General Use	325
American Cancer Society	N/A	General Use	13,500
American Diabetes Association	N/A	General Use	275
American Heart Association	N/A	General Use	4,315
American Lung Association	N/A	General Use	805
American Red Cross	N/A	General Use	1,825
Andrew S Roddick Foundation	N/A	General Use	15,000
Antique Wireless Association	N/A	General Use	1,000
Arthritis Foundation	N/A	General Use	722
Artisan Works	N/A	General Use	2,500
Auburn University	N/A	General Use	5,000
Big Brothers/Big Sisters	N/A	General Use	3,250
Birthright of Melbourne, Inc.	N/A	General Use	1,225
Boy Scouts of America	N/A	General Use	14,850
Brevard Museum of Art & Science	N/A	General Use	3,707
Brevard Neighborhood Development Coalition	N/A	General Use	1,300
Brevard Schools Foundation	N/A	General Use	84,000
Brevard Symphony Orchestra	N/A	General Use	6,200
Brevard Zoo	N/A	General Use	12,500
Camp Good Days and Special Times	N/A	General Use	1,500
Canandaigua VA Medical Hospital	N/A	General Use	3,000
Carnegie Mellon University	N/A	General Use	2,500
Children's Home Society Of Florida	N/A	General Use	2,289
Citrus Council of Girl Scouts, Inc.	N/A	General Use	1,270
Clemson University	N/A	General Use	5,000
Club Esteem	N/A	General Use	5,220
Community Child Development	N/A	General Use	2,500
Cystic Fibrosis Foundation	N/A	General Use	38,025
DCSDKA (DC Fund)	N/A	General Use	2,500
Easter Seal Society of East Central Florida.	N/A	General Use	2,765
Genesis House, Inc.	N/A	General Use	2,380
George Eastman House	N/A	General Use	3,130
Georgia Tech Foundation	N/A	General Use	60,000
GEVA Theatre Center	N/A	General Use	2,500
Gift Matching - Higher Education	N/A	General Use	153,920
Gift Matching - Secondary Education	N/A	General Use	121,402
Golisano Children's Hospital at Strong	N/A	General Use	6,000
Habitat for Humanity	N/A	General Use	3,720
Health First Foundation	N/A	General Use	10,000
Holmes Regional Medical Center	N/A	General Use	1,100
JFK Center for the Performing Arts	N/A	General Use	5,000

**HARRIS FOUNDATION**  
**EIN: 34-6520425**  
**FORM 990-PF**  
**FISCAL YEAR ENDED 6/30/07**

**STATEMENT 7**

**Part XV, Line 3a - Grants and Contributions Paid During the Year**

Name of Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Purpose of grant or contribution	Amount
Junior Achievement of East Central Florida.	N/A	General Use	4,356
Junior League of South Brevard	N/A	General Use	1,000
Juvenile Diabetes Research Foundation	N/A	General Use	1,625
Lead Brevard	N/A	General Use	20,000
Leukemia & Lymphoma Society	N/A	General Use	10,000
Literacy Volunteers of Rochester	N/A	General Use	1,500
March of Dimes	N/A	General Use	1,855
Master's Workshop	N/A	General Use	200
Melbourne Art Festival, Inc.	N/A	General Use	10,000
Melbourne Police Foundation	N/A	General Use	1,000
Memorial Art Gallery	N/A	General Use	5,000
National Multiple Sclerosis Society	N/A	General Use	1,730
New Mexico State University	N/A	General Use	10,000
North Carolina State University	N/A	General Use	10,000
North Caroline Theater	N/A	General Use	2,500
Odyssey of the Mind	N/A	General Use	5,000
Pearl Harbor Memorial Fund	N/A	General Use	50,000
Pentagon Memorial Fund	N/A	General Use	50,000
Persian Gulf Veterans, Inc.	N/A	General Use	5,000
PREVENT! of Brevard, Inc.	N/A	General Use	2,500
PRISM - Hutchinson House	N/A	General Use	2,000
Project NorthStar	N/A	General Use	1,000
Purdue Foundation	N/A	General Use	10,000
Reaching Out Holiday Fund	N/A	General Use	1,000
Rensselaer Polytechnic Institute	N/A	General Use	5,000
Resurrection Ranch	N/A	General Use	5,000
Rochester Institute of Technology	N/A	General Use	200,000
Rochester Museum & Science Center	N/A	General Use	5,000
Salvation Army	N/A	General Use	1,080
Serene Harbor	N/A	General Use	1,250
Sojourner House	N/A	General Use	1,500
South Brevard Sharing Center	N/A	General Use	3,650
South Brevard Women's Center	N/A	General Use	9,820
Space Coast Ballet	N/A	General Use	5,000
Space Coast Early Intervention Center, Inc.	N/A	General Use	107,755
Space Coast Marine Institute	N/A	General Use	3,750
Special Olympics	N/A	General Use	2,000
Strong Museum	N/A	General Use	5,000
Susan B Kormen Breast Cancer Foundation	N/A	General Use	1,915
Tennis Professionals Charities Foundation	N/A	General Use	10,000
Thanks USA	N/A	General Use	10,000
The Daily Bread	N/A	General Use	3,150

**HARRIS FOUNDATION**  
**EIN: 34-6520425**  
**FORM 990-PF**  
**FISCAL YEAR ENDED 6/30/07**

**STATEMENT 7**

**Part XV, Line 3a - Grants and Contributions Paid During the Year**

Name of Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Purpose of grant or contribution	Amount
The Haven	N/A	General Use	11,200
United Way	N/A	General Use	195,500
University at Buffalo Foundation	N/A	General Use	5,000
University of Central Florida Foundation	N/A	General Use	610,000
University of Florida Foundation	N/A	General Use	241,000
University of Maryland	N/A	General Use	15,000
University of Michigan	N/A	General Use	3,500
University of South Florida Foundation	N/A	General Use	10,000
University of West Florida Foundation	N/A	General Use	4,500
USO of Metropolitan Washington, DC	N/A	General Use	1,200
Veterans Outreach Center, Inc.	N/A	General Use	5,000
<u>WE@RIT</u>	N/A	General Use	10,000
Women's Center Guild	N/A	General Use	10,000
Wuesthoff Health Systems Foundation	N/A	General Use	10,000
<b>TOTAL</b>			<b>2,333,056</b>