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Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

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

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

OMB No 1545-0047

2009Open to Public
Inspection**A** For the 2009 calendar year, or tax year beginning **OCT 1, 2009** and ending **SEP 30, 2010**

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	Please use IRS label or print or type: See Specific Instructions	C Name of organization THE ARTS COUNCIL, INC.		D Employer identification number 56-0526856
		Doing Business As		E Telephone number 336-722-2585
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 305 WEST 4TH STREET 1-C		
		City or town, state or country, and ZIP + 4 WINSTON-SALEM, NC 27101		
		F Name and address of principal officer MR. MILTON RHODES SAME AS C ABOVE		
I Tax-exempt status ☒ 501(c) (3) (insert no) ☐ 4947(a)(1) or ☐ 527		G Gross receipts \$ 7,646,626.		
J Website: WWW.INTOTHEARTS.ORG		H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions) H(c) Group exemption number ▶		
K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶		L Year of formation. 1949 M State of legal domicile NC		

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities SUPPORT, PROMOTE AND NURTURE ARTISTS AND ARTISTIC ORGANIZATIONS THROUGH FUND RAISING.		
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	40	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	40	
	5 Total number of employees (Part V, line 2a)	18	
	6 Total number of volunteers (estimate if necessary)	280	
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12	<151,022.>	
7b Net unrelated business taxable income from Form 990-B, line 9	<243,716.>		
Revenue	8 Contributions and grants (Part VIII, line 1h)	3,312,153.	6,412,495.
	9 Program service revenue (Part VIII, line 2g)		17,888.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	15,344.	645,238.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10d, and 11e)	<14,095.>	<450,544.>
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,313,402.	6,625,077.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,063,702.	2,713,135.
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	946,080.	1,075,709.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	65,582.	20,000.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,054,220.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	1,400,225.	977,582.
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	4,475,589.	4,786,426.
	19 Revenue less expenses Subtract line 18 from line 12	<1,162,187.>	1,838,651.
	20 Total assets (Part X, line 16)	18,301,502.	23,999,797.
	21 Total liabilities (Part X, line 26)	5,339,195.	9,258,808.
22 Net assets or fund balances Subtract line 21 from line 20	12,962,307.	14,740,989.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
Sign Here	Signature of officer <i>Milton Rhodes</i>		Date 5/16/11
	MR. MILTON RHODES, PRESIDENT & CEO Type or print name and title		
Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed ☐
	Firm's name (or yours if self-employed), address, and ZIP + 4 BUTLER & BURKE, L.L.P. 100 CLUB OAKS COURT, SUITE A WINSTON-SALEM, NC 27104	EIN ▶	Preparer's identifying number (see instructions) Phone no. ▶ (336) 768-2310

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

☒ Yes ☐ No

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Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

TO ENRICH THE QUALITY OF LIFE FOR THE PEOPLE OF WINSTON-SALEM BY STRENGTHENING CULTURAL RESOURCES AND PROMOTING ARTS THROUGH FUNDRAISING.

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

☒ Yes ☐ No

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

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

☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

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

4a (Code) (Expenses \$ 2,713,135. including grants of \$ 2,713,135.) (Revenue \$ 0.)
ALLOCATIONS TO FUNDED MEMBER AGENCIES, TECHNICAL ASSISTANCE, PROJECT GRANTS, AND VARIOUS OTHER GRANTS DISTRIBUTED TO VARIOUS GROUPS FOR ARTS RELATED PROJECTS, USUALLY IN FORSYTH COUNTY, NC.

4b (Code) (Expenses \$ 159,470. including grants of \$ 0.) (Revenue \$ 17,888.)
THE HANESBRANDS THEATRE AT THE MILTON RHODES CENTER FOR THE ARTS IS A 300 SEAT MULTI-PURPOSE BLACK BOX THEATRE LOCATED AT 209 N. SPRUCE STREET IN DOWNTOWN WINSTON-SALEM. THE THEATRE EMPLOYS THREE FULL TIME STAFF AND A HANDFUL OF PART-TIME STAFF. A VARIETY OF ARTS COUNCIL AFFILIATED GROUPS PERFORM AT THE THEATRE INCLUDING: FESTIVAL STAGE OF WINSTON-SALEM, NO RULES THEATRE COMPANY, WINSTON-SALEM FESTIVAL BALLET, RIVER RUN INTERNATIONAL FILM FESTIVAL, PIEDMONT OPERA, AND NORTH CAROLINA BLACK REPERTORY COMPANY.

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O)

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

4e Total program service expenses \$ 2,872,605.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns. Enter -0- if not applicable.	9	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	18	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions).	2b	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	X
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country. See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	X
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders.	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **NC**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization **►**
VICTORIA HORNER - 336-722-2585
305 WEST 4TH STREET, SUITE 1-C, WINSTON-SALEM, NC 27101

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors
Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List all of the organization's **current** key employees. See instructions for definition of "key employee."

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

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

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
TONYA DEEM CHAIR	1.00	X		X				0.	0.	0.
MICHAEL SUGGS VICE CHAIR- ADMINISTRATI	1.00	X		X				0.	0.	0.
JIM MARTIN VICE CHAIR- BOARD DEVELO	1.00	X		X				0.	0.	0.
CHERYL LINDSAY VICE CHAIR-AGENCY RELATI	1.00	X		X				0.	0.	0.
CALVIN PATTERSON VICE CHAIR-COMM. RELATIO	1.00	X		X				0.	0.	0.
TOM INGRAM VICE CHAIR- FACILITIES	1.00	X		X				0.	0.	0.
HUNTER DOUGLAS SECRETARY	1.00	X		X				0.	0.	0.
RICK SPANGLER TREASURER & FINANCE CHAI	1.00	X		X				0.	0.	0.
BILL BENTON AT LARGE EXECUTIVE MEMBE	1.00	X		X				0.	0.	0.
DR. PEDRO MARTINEZ AT LARGE EXECUTIVE MEMBE	1.00	X		X				0.	0.	0.
NORMAN USSERY MEMBER GROUP REPRESENTAT	1.00	X		X				0.	0.	0.
RANDY EADDY CHAIR- FUNDRAISING POLIC	1.00	X						0.	0.	0.
TRIPP GREASON CHAIR- MEMBERSHIP COMMIT	1.00	X						0.	0.	0.
BOB WHALING CHAIR- ADVOCACY COMMITTE	1.00	X						0.	0.	0.
SIOBHAN OLSON CHAIR- MARKETING COMMITT	1.00	X						0.	0.	0.
FRANCESCA AGNOLI BOARD MEMBER	1.00	X						0.	0.	0.
DR. WILLIAM APPLEGATE BOARD MEMBER	1.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
MARY Z. BENTON BOARD MEMBER	1.00	X						0.	0.	0.
LIBBY BOOKE BOARD MEMBER	1.00	X						0.	0.	0.
SHELBY CHADEN BOARD MEMBER	1.00	X						0.	0.	0.
ROBERT BESEDA BOARD MEMBER	1.00	X						0.	0.	0.
AURELIA ELLER BOARD MEMBER	1.00	X						0.	0.	0.
JIMMY BROUGHTON BOARD MEMBER	1.00	X						0.	0.	0.
ANDREW GILCHRIST BOARD MEMBER	1.00	X						0.	0.	0.
JOHN GATES BOARD MEMBER	1.00	X						0.	0.	0.
KEVIN HALL BOARD MEMBER	1.00	X						0.	0.	0.
ELDRIDGE C. HANES BOARD MEMBER	1.00	X						0.	0.	0.
1b Total								166,000.	0.	10,272.

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

- 3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4	X	
5		X

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
FRANK L BLUM CONSTRUCTION PO BOX 4153, WINSTON-SALEM, NC 27115	CONSTRUCTION SERVICES	4,460,698.
CALLOWAY, JOHNSON, MOORE AND WEST, 119 BROOKSTOWN AVE, SUITE 100, WINSTON-SALEM,	ARCHITECTURAL SERVICES	152,536.
MERIDIAN REALTY, 380 KNOLLWOOD STREET, SUITE 430, WINSTON-SALEM, NC 27103	PROPERTY MANAGEMENT SERVICES	120,500.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **3**

SEE SCHEDULE J-2 FOR PART VII, SECTION A CONTINUATION

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	6412495.			
	g	Noncash contributions included in lines 1a-1f \$		120,706.			
	h	Total. Add lines 1a-1f		6412495.			
Program Service Revenue	2 a	HANESBRANDS THEATRE	Business Code 711190	17,888.	17,888.		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		17,888.			
	3	Investment income (including dividends, interest, and other similar amounts)		652,713.			652,713.
4	Income from investment of tax-exempt bond proceeds						
5	Royalties						
Other Revenue	6 a	Gross Rents	(i) Real 308090.				
	b	Less rental expenses	459112.				
	c	Rental income or (loss)	<151,022.>				
	d	Net rental income or (loss)		<151,022.>		<151022.>	
	7 a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b	Less cost or other basis and sales expenses	7,475.				
	c	Gain or (loss)	<7,475.>				
	d	Net gain or (loss)		<7,475.>		<7,475.>	
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a 247200.				
	b	Less direct expenses	b 554962.				
	c	Net income or (loss) from fundraising events		<307,762.>		<307762.>	
	9 a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10 a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory					
	Miscellaneous Revenue			Business Code			
	11 a	MISCELLANEOUS INCOME	900099	8,240.			8,240.
	b						
c							
d	All other revenue						
e	Total. Add lines 11a-11d		8,240.				
12	Total revenue. See instructions.		6625077.	17,888.	<151022.>	345,716.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	2,645,139.	2,645,139.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	67,996.	67,996.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	185,612.		24,777.	160,835.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	718,449.	16,091.	206,156.	496,202.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	98,020.	1,241.	45,808.	50,971.
10 Payroll taxes	73,628.	1,636.	45,866.	26,126.
11 Fees for services (non-employees)				
a Management				
b Legal	49,916.		49,916.	
c Accounting	16,000.		16,000.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	20,000.			20,000.
f Investment management fees				
g Other	34,500.			34,500.
12 Advertising and promotion	164,309.	3,211.		161,098.
13 Office expenses	91,334.	266.	44,342.	46,726.
14 Information technology	51,954.		40,280.	11,674.
15 Royalties				
16 Occupancy	52,990.	22,316.	30,674.	
17 Travel	5,036.		3,130.	1,906.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	11,358.		4,744.	6,614.
20 Interest	72,277.	39,164.	33,113.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	164,550.		164,550.	
23 Insurance	6,665.		6,665.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a BAD DEBT EXPENSE	78,975.		78,975.	
b SECURITY	67,990.	67,990.		
c RECRUITMENT	32,764.	1,100.	31,664.	
d BANKING FEES	24,656.	586.	16,594.	7,476.
e PROMOTIONAL & SPECIAL E	23,080.			23,080.
f All other expenses	29,228.	5,869.	16,347.	7,012.
25 Total functional expenses Add lines 1 through 24f	4,786,426.	2,872,605.	859,601.	1,054,220.
26 Joint costs. Check here ☐ if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	155,204.	1	157,380.
	2 Savings and temporary cash investments	332,611.	2	2,243,347.
	3 Pledges and grants receivable, net	8,074,700.	3	7,820,371.
	4 Accounts receivable, net	209,621.	4	16,231.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	136,962.	9	234,492.
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 14,296,446.		
	b Less accumulated depreciation	10b 1,172,488.	2,101,402.	10c 13,123,958.
	11 Investments - publicly traded securities	11,000.	11	64,644.
	12 Investments - other securities See Part IV, line 11	595,099.	12	144,340.
	13 Investments - program-related See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11	6,684,903.	15	195,034.
16 Total assets. Add lines 1 through 15 (must equal line 34)	18,301,502.	16	23,999,797.	
Liabilities	17 Accounts payable and accrued expenses	1,106,259.	17	1,283,852.
	18 Grants payable	6,460.	18	61,412.
	19 Deferred revenue	1,000.	19	17,988.
	20 Tax-exempt bond liabilities		20	7,497,232.
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	3,827,152.	23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities Complete Part X of Schedule D	398,324.	25	398,324.
	26 Total liabilities. Add lines 17 through 25	5,339,195.	26	9,258,808.
	Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.		
27 Unrestricted net assets		3,976,614.	27	6,113,546.
28 Temporarily restricted net assets		8,878,058.	28	8,627,443.
29 Permanently restricted net assets		107,635.	29	0.
Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.				
30 Capital stock or trust principal, or current funds			30	
31 Paid-in or capital surplus, or land, building, or equipment fund			31	
32 Retained earnings, endowment, accumulated income, or other funds			32	
33 Total net assets or fund balances		12,962,307.	33	14,740,989.
34 Total liabilities and net assets/fund balances	18,301,502.	34	23,999,797.	

Part XI Financial Statements and Reporting

1 Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____

If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

b Were the organization's financial statements audited by an independent accountant?

c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O

d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both

☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2009)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number

56-0526856

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

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

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f ☐ If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box.
- g ☐ Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h ☐ Provide the following information about the supported organization(s).

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

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

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2009

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	2,255,978.	2,928,628.	13,376,757.	3,312,153.	6,291,789.	28,165,305.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	2,255,978.	2,928,628.	13,376,757.	3,312,153.	6,291,789.	28,165,305.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						284,813.
6 Public support. Subtract line 5 from line 4						27,880,492.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	2,255,978.	2,928,628.	13,376,757.	3,312,153.	6,291,789.	28,165,305.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	393,978.	552,723.	460,477.	226,069.	960,803.	2,594,050.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						30,759,355.
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ ☐						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	90.64 %
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	92.63 %
16a 33 1/3% support test - 2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ ☒		
b 33 1/3% support test - 2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ ☐		
17a 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ ☐		
b 10% -facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ ☐		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐		

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I.)**Section A. Public Support**

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support (Add lines 9, 10c, 11, and 12)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

b 33 1/3% support tests - 2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Schedule D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number
56-0526856

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e.g., recreation or pleasure)	☐ Preservation of an historically important land area
☐ Protection of natural habitat	☐ Preservation of a certified historic structure
☐ Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items.

a Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

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

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

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations
 d ☐ Loan or exchange programs
 e ☐ Other _____

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

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

	Amount
1c	
1d	
1e	
1f	

- c Beginning balance
 d Additions during the year
 e Distributions during the year
 f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ► _____ %
 b Permanent endowment ► _____ %
 c Term endowment ► _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by.

- (i) unrelated organizations
 (ii) related organizations

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

	Yes	No
3a(i)		
3a(ii)		
3b		

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		851,947.		851,947.
b Buildings		10,608,136.	991,666.	9,616,470.
c Leasehold improvements		607,100.	28,018.	579,082.
d Equipment		2,017,124.	110,839.	1,906,285.
e Other		212,139.	41,965.	170,174.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				13,123,958.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12.		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	

Part XIV Supplemental Information

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

PART X: FASB INTERPRETATION NO. 48, ACCOUNTING FOR UNCERTAINTY

IN INCOME TAXES (FIN 48; CODIFIED AS FASB ASC 740-10-05-6), CLARIFIES THE
ACCOUNTING FOR THE RECOGNITION AND MEASUREMENT OF UNCERTAINTIES IN INCOME
TAXES FOR ALL ENTITIES, INCLUDING NOT-FOR-PROFIT ORGANIZATIONS. THE
COUNCIL'S POLICY IS TO EVALUATE THE LIKELIHOOD THAT ANY UNCERTAIN TAX
POSITIONS WILL PREVAIL UPON EXAMINATION BASED ON THE EXTENT TO WHICH THOSE
POSITIONS HAVE SUBSTANTIAL SUPPORT WITHIN THE INTERNAL REVENUE CODE AND
REGULATIONS, REVENUE RULINGS, COURT DECISIONS AND OTHER EVIDENCE. IT IS

Part XIV Supplemental Information *(continued)*

THE OPINION OF MANAGEMENT THAT THE COUNCIL HAS NO SIGNIFICANT UNCERTAIN
TAX POSITIONS THAT WOULD BE SUBJECT TO CHANGE UPON EXAMINATION. THE
ADOPTION OF FIN 48 DID NOT HAVE A MATERIAL IMPACT ON THE COUNCIL'S
FINANCIAL STATEMENTS.

Department of the Treasury
Internal Revenue Service

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

OMB No. 1545-0047

2009

Open To Public Inspection

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number

56-0526856

Part I

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

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

- a ☒ Mail solicitations
b ☒ Internet and email solicitations
c ☒ Phone solicitations
d ☒ In-person solicitations
e ☒ Solicitation of non-government grants
f ☒ Solicitation of government grants
g ☒ Special fundraising events

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

☒ Yes☐ No

- b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
WHITNEY JONES	FUNDRAISING		X	0.	20,000.	<20,000.>
Total					20,000.	<20,000.>

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

NC

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule G (Form 990 or 990-EZ) 2009

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

		(a) Event #1	(b) Event #2	(c) Other events NONE	(d) Total events (add col (a) through col (c))
		GALA (event type)	(event type)	(total number)	
Revenue	1 Gross receipts	247,200.			247,200.
	2 Less Charitable contributions				
	3 Gross income (line 1 minus line 2)	247,200.			247,200.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	554,962.			554,962.
	10 Direct expense summary Add lines 4 through 9 in column (d)				(554,962.)
	11 Net income summary Combine line 3, column (d), and line 10				<307,762.>

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

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

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

	Yes	No
9a		
10a		
11		
12		

13 Indicate the percentage of gaming activity operated in**a** The organization's facility**13a** %**b** An outside facility**13b** %**14** Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ► _____

Address ► _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?**15a****b** If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____.**c** If "Yes," enter name and address of the third party.

Name ► _____

Address ► _____

16 Gaming manager information:

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

_____☐ Director/officer☐ Employee☐ Independent contractor**17** Mandatory distributions:**a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?**17a****b** Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number
56-0526856

Part I General Information on Grants and Assistance

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

☒ Yes ☐ No

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

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
NORTH CAROLINA SHAKESPEARE FESTIVAL - P.O. BOX 6066 - HIGH POINT, NC 27262	59-1725095	501(C)(3)	11,488.	0.			\$6,000 ARTS IN EDUCATION GRANT & \$5,488 ADVERTISING ASSISTANCE
UNIVERSITY OF NORTH CAROLINA SCHOOL OF THE ARTS - P.O. BOX 12189 - WINSTON-SALEM, NC 27117	55-6064850	501(C)(3)	23,688.	0.			\$11,000 ARTS IN EDUCATION GRANT, \$10,000 INNOVATIVE PROJECT GRANT & \$2,688
PIEDMONT CRAFTSMAN 601 NORTH TRADE STREET WINSTON-SALEM, NC 27101	56-0818342	501(C)(3)	98,238.	0.			\$75,000 ORGANIZATIONAL SUPPORT GRANT, \$10,000 ARTS IN EDUCATION GRANT, \$4,000 INNOVATIVE PROJECT
WINSTON-SALEM SYMPHONY 201 N. BROAD STREET, SUITE 200 WINSTON-SALEM, NC 27101	56-0692826	501(C)(3)	255,500.	0.			\$242,500 ORGANIZATIONAL SUPPORT GRANT, \$8,000 ARTS IN EDUCATION GRANT, \$3,500 INNOVATIVE PROJECT
ASSOCIATED ARTISTS OF WINSTON-SALEM - 301 WEST FOURTH STREET - WINSTON-SALEM, NC 27101	58-1498864	501(C)(3)	51,458.	0.			\$40,000 ORGANIZATIONAL SUPPORT GRANT, \$2,820 ARTS IN EDUCATION GRANT, \$4,000 INNOVATIVE PROJECT
CHILDREN'S THEATRE BOARD, INC. 610 COLISEUM DRIVE WINSTON-SALEM, NC 27106	56-0939026	501(C)(3)	75,611.	0.			\$64,000 ORGANIZATIONAL SUPPORT GRANT, \$5,000 INNOVATIVE PROJECT GRANT & \$6,611 ADVERTISING

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

▶ **28.**

3 Enter total number of other organizations

▶ **2.**

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

SEE PART IV FOR COLUMN (H) DESCRIPTIONS

Schedule I (Form 990) 2009

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Use Part IV and Schedule I-1 (Form 990) if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
REGIONAL GRANTS	19	44,050.	0.		
ARTS IN EDUCATION	4	18,560.	0.		
INNOVATIVE PROJECT GRANT	1	4,000.	0.		
FINANCIAL SUPPORT	2	1,386.	0.		
Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information					

SCHEDULE I, PART I, LINE 2: ORGANIZATIONAL SUPPORT GRANT RECIPIENTS:

EACH ORGANIZATION SUBMITS THE FOLLOWING INFORMATION AS REQUESTED IN THEIR

CONTRACT:

MONTHLY ATTENDANCE REPORTING ON ORGANIZATIONAL EVENT STATISTICS TO THE ARTS

COUNCIL VIA SURVEY MONKEY.

A SIX (6) MONTH FINANCIAL STATEMENT SHOULD BE SUBMITTED TO THE ARTS COUNCIL

BY FEBRUARY 1 OF EACH YEAR.

AN OFFICIAL AUDIT MUST BE SUBMITTED ONE MONTH AFTER THE END OF THE

SCHEDULE I-1
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)

▶ Attach to Form 990 to list additional information for
Schedule I (Form 990), Part II or Part III.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number
56-0526856

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HISPANIC ARTS INITIATIVE 305 WEST FOURTH STREET, SUITE 1-C WINSTON-SALEM, NC 27101	20-4918395	501(C)(3)	41,000.	0.			\$35,000 ORGANIZATIONAL SUPPORT GRANT, \$1,000 ARTS IN EDUCATION GRANT & \$5,000 INNOVATIVE PROJECT
KERNERSVILLE LITTLE THEATRE P.O. BOX 822 KERNERSVILLE, NC 27285	59-1771526	501(C)(3)	8,500.	0.			\$8,500 ORGANIZATIONAL SUPPORT GRANT
LITTLE SYMPHONY OF FORSYTH COUNTY P.O. BOX 15654 WINSTON-SALEM, NC 27113	56-1274062	501(C)(3)	12,000.	0.			\$12,000 ORGANIZATIONAL SUPPORT GRANT
NORTH CAROLINA BLACK REPERTORY COMPANY - 610 COLISEUM DRIVE - WINSTON-SALEM, NC 27106	58-1518704	501(C)(3)	181,000.	0.			\$175,000 ORGANIZATIONAL SUPPORT GRANT & \$6,000 ADVERTISING ASSISTANCE
OLD SALEM P.O. DRAWER F, SALEM STATION WINSTON-SALEM, NC 27108	56-0587289	501(C)(3)	105,319.	0.			\$65,000 ORGANIZATIONAL SUPPORT GRANT, \$40,319 ADVERTISING ASSISTANCE
PIEDMONT CHAMBER SINGERS P.O. BOX 20573 WINSTON-SALEM, NC 27120	58-1348531	501(C)(3)	16,832.	0.			\$7,500 ORGANIZATIONAL SUPPORT GRANT & \$9,332 ADVERTISING ASSISTANCE
PIEDMONT OPERA 235 N. CHERRY STREET, SUITE 100 WINSTON-SALEM, NC 27101	59-1743689	501(C)(3)	119,348.	0.			\$100,000 ORGANIZATIONAL SUPPORT GRANT & \$19,348 ADVERTISING ASSISTANCE
PIEDMONT WIND SYMPHONY 526 S. STRATFORD ROAD WINSTON-SALEM, NC 27103	56-1627179	501(C)(3)	16,500.	0.			\$15,000 ORGANIZATIONAL SUPPORT GRANT & \$1,500 INNOVATIVE PROJECT GRANT

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2009

**SCHEDULE I-1
(Form 990)**

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)

▶ Attach to Form 990 to list additional information for
Schedule I (Form 990), Part II or Part III.

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number

56-0526856

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
REYNOLDA HOUSE MUSEUM OF AMERICAN ART - P.O. BOX 7287 - WINSTON-SALEM, NC 27109	56-0810676	501(C)(3)	104,111.	0.			\$70,000 ORGANIZATIONAL SUPPORT GRANT & \$34,111 ADVERTISING ASSISTANCE
RIVERRUN INTERNATIONAL FILM FESTIVAL - 305 WEST FOURTH STREET, SUITE 1-A - WINSTON-SALEM, NC 27101	20-0254183	501(C)(3)	77,000.	0.			\$77,000 ORGANIZATIONAL SUPPORT GRANT
SAWTOOTH SCHOOL OF VISUAL ART 305 WEST FOURTH STREET, SUITE 1-C WINSTON-SALEM, NC 27101	56-0596516	501(C)(3)	224,324.	0.			\$162,000 ORGANIZATIONAL SUPPORT GRANT, \$6,048 ADVERTISING ASSISTANCE & \$56,276 DISCRETIONARY
SOUTHEASTERN CENTER FOR CONTEMPORARY ART - 750 MARGUERITE DRIVE - WINSTON-SALEM, NC 27106	56-0656890	501(C)(3)	189,571.	0.			\$170,000 ORGANIZATIONAL SUPPORT GRANT, \$8,820 ARTS IN EDUCATION GRANT
THE LITTLE THEATRE OF WINSTON-SALEM/TWIN CITY STAGE - 610 COLISEUM DRIVE - WINSTON-SALEM, NC 27106	56-0526835	501(C)(3)	218,326.	0.			\$195,000 ORGANIZATIONAL SUPPORT GRANT & \$23,326 ADVERTISING ASSISTANCE
WINSTON-SALEM FESTIVAL BALLET 305 WEST FOURTH STREET, SUITE 1-C WINSTON-SALEM, NC 27101	56-1631225	501(C)(3)	44,000.	0.			\$40,000 ORGANIZATIONAL SUPPORT GRANT & \$4,000 INNOVATIVE PROJECT GRANT
WINSTON-SALEM CHILDREN'S CHORUS P.O. BOX 15342 WINSTON-SALEM, NC 27113	56-2059778	501(C)(3)	20,518.	0.			\$15,000 ORGANIZATIONAL SUPPORT GRANT, \$1,500 INNOVATIVE PROJECT GRANT & \$4,018 ADVERTISING
WINSTON-SALEM DELTA FINE ARTS 2611 NEW WALKERTOWN ROAD WINSTON-SALEM, NC 27101	23-7282952	501(C)(3)	39,534.	0.			\$31,500 ORGANIZATIONAL SUPPORT GRANT & \$8,034 ADVERTISING ASSISTANCE

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2009

SCHEDULE I-1
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)

▶ Attach to Form 990 to list additional information for
Schedule I (Form 990), Part II or Part III.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number

56-0526856

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)									
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance		
FORSYTH COUNTY LIBRARY 660 WEST FIFTH STREET WINSTON-SALEM, NC 27101	56-6000450	SECTION 170, C1	8,883.	0.			ADVERTISING ASSISTANCE		
CAROLINA BALLET 3401-131 ATLANTIC AVENUE RALEIGH, NC 27604	56-1445383	501(C)(3)	6,444.	0.			\$5,000 ARTS IN EDUCATION & \$1,444 ADVERTISING ASSISTANCE		
HISTORIC BETHABARA PARK INC 2147 BETHABARA ROAD WINSTON-SALEM, NC 27106	23-7079601	501(C)(3)	6,805.	0.			\$6,805 ADVERTISING ASSISTANCE		
ECHO NETWORK 690 COLISEUM DRIVE WINSTON-SALEM, NC 27106	32-0282438	501(C)(4)	7,500.	0.			\$7,500 INNOVATIVE PROJECT GRANT		
TAM TAM MANDINGUE USA INC 2721 CARDIFF COURT WINSTON-SALEM, NC 27103	20-0442598	501(C)(3)	15,500.	0.			\$10,500 ARTS IN EDUCATION & \$5,000 INNOVATIVE PROJECT GRANT		
FACILITIES FOR THE ARTS ON SPRUCE FOUNDATION - 305 WEST FOURTH STREET, SUITE 1-C - WINSTON-SALEM, NC 27101	26-1844532	501(C)(3)	607,326.	0.			\$600,000 OPERATING AND \$7,326 MAINTENANCE		
CHILDREN'S MUSEUM OF WINSTON-SALEM 390 SOUTH LIBERTY STREET WINSTON-SALEM, NC 27101	56-2193634	501(C)(3)	6,423.	0.			\$6,423 ADVERTISING ASSISTANCE		
UC SUPPORT SERVICES, INC PO BOX 20172 WINSTON-SALEM, NC 27101	26-3986692	501(C)(3)	6,000.	0.			\$6,000 INNOVATIVE PROJECT GRANT		

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2009

Part IV Supplemental Information

ORGANIZATION'S FISCAL YEAR.

A YEAR END FINANCIAL STATEMENT SHOULD BE SUBMITTED BY AUGUST 1.

ARTS AND EDUCATION AND INNOVATIVE PROJECT GRANT RECIPIENTS:

FINAL REPORTS THAT INCLUDE THE FOLLOWING INFORMATION:

AMOUNT AWARDED

AMOUNT SPENT

PROJECT NARRATIVE: DESCRIPTION AND EVALUATION OF THE PROJECT. DESCRIBE HOW THE PROJECT WAS PUBLICIZED, WHAT OCCURRED AND HOW SUCCESSFUL YOU THINK THE PROJECT WAS.

PARTICIPATION NARRATIVE: DESCRIPTION OF HOW PROFESSIONAL ARTISTS AND ORGANIZATIONS WERE INVOLVED IN THE PROJECT.

PARTICIPATION STATISTICS: PAID STAFF/VOLUNTEERS/AUDIENCE AND TOTAL PARTICIPANTS. THE ORGANIZATIONS ALSO PROVIDE INFORMATION ABOUT THE RACIAL/ETHNIC MAKEUP AND AGE.

PROJECT EXPENSES: ACCOUNT FOR PROJECT EXPENSES, THIS INCLUDES THE AMOUNT OF GRANT FUNDS SPENT AS WELL AS OTHER CASH EXPENSE SPENT BY THE GRANT RECIPIENT.

REGIONAL ARTIST PROJECT GRANT:

PROJECT NARRATIVE: A DESCRIPTION AND EVALUATION OF THE PROJECT, INCLUDING HOW THE GRANT IMPACTED YOUR CAREER AS AN ARTIST.

PROJECT EXPENSES: A SUMMARY OF THE PROJECT EXPENSES AS REFLECTED IN YOUR SUBMITTED BUDGET. INCLUDE COPIES OF RECEIPTS.

PART II, LINE 1, COLUMN (H):

Part IV Supplemental Information

NAME OF ORGANIZATION OR GOVERNMENT:

UNIVERSITY OF NORTH CAROLINA SCHOOL OF THE ARTS

(H) PURPOSE OF GRANT OR ASSISTANCE:

\$11,000 ARTS IN EDUCATION GRANT, \$10,000 INNOVATIVE PROJECT GRANT &
\$2,688 ADVERTISING ASSISTANCE

NAME OF ORGANIZATION OR GOVERNMENT: PIEDMONT CRAFTSMAN

(H) PURPOSE OF GRANT OR ASSISTANCE: \$75,000 ORGANIZATIONAL SUPPORT

GRANT, \$10,000 ARTS IN EDUCATION GRANT, \$4,000 INNOVATIVE PROJECT &
\$9,238 ADVERTISING ASSISTANCE

NAME OF ORGANIZATION OR GOVERNMENT: WINSTON-SALEM SYMPHONY

(H) PURPOSE OF GRANT OR ASSISTANCE: \$242,500 ORGANIZATIONAL SUPPORT

GRANT, \$8,000 ARTS IN EDUCATION GRANT, \$3,500 INNOVATIVE PROJECT GRANT, &
1,000 DISCRETIONARY

NAME OF ORGANIZATION OR GOVERNMENT: ASSOCIATED ARTISTS OF WINSTON-SALEM

(H) PURPOSE OF GRANT OR ASSISTANCE: \$40,000 ORGANIZATIONAL SUPPORT

GRANT, \$2,820 ARTS IN EDUCATION GRANT, \$4,000 INNOVATIVE PROJECT & 4,638
ADVERTISING ASSISTANCE

NAME OF ORGANIZATION OR GOVERNMENT: CHILDREN'S THEATRE BOARD, INC.

(H) PURPOSE OF GRANT OR ASSISTANCE: \$64,000 ORGANIZATIONAL SUPPORT

GRANT, \$5,000 INNOVATIVE PROJECT GRANT & \$6,611 ADVERTISING ASSISTANCE

NAME OF ORGANIZATION OR GOVERNMENT: HISPANIC ARTS INITIATIVE

(H) PURPOSE OF GRANT OR ASSISTANCE: \$35,000 ORGANIZATIONAL SUPPORT

GRANT, \$1,000 ARTS IN EDUCATION GRANT & \$5,000 INNOVATIVE PROJECT GRANT

Part IV Supplemental Information

NAME OF ORGANIZATION OR GOVERNMENT: REYNOLDA HOUSE MUSEUM OF AMERICAN ART

(H) PURPOSE OF GRANT OR ASSISTANCE: \$70,000 ORGANIZATIONAL SUPPORT GRANT
& \$34,111 ADVERTISING ASSISTANCE

\$65,000 ORGANIZATIONAL SUPPORT GRANT, \$18,707 ADVERTISING ASSISTANCE, &
\$1,500 DISCRETIONARY

NAME OF ORGANIZATION OR GOVERNMENT:

SOUTHEASTERN CENTER FOR CONTEMPORARY ART

(H) PURPOSE OF GRANT OR ASSISTANCE:

\$170,000 ORGANIZATIONAL SUPPORT GRANT, \$8,820 ARTS IN EDUCATION GRANT,
\$7,500 INNOVATIVE PROJECT GRANT, \$3,251 ADVERTISING ASSISTANCE

NAME OF ORGANIZATION OR GOVERNMENT: WINSTON-SALEM CHILDREN'S CHORUS

(H) PURPOSE OF GRANT OR ASSISTANCE: \$15,000 ORGANIZATIONAL SUPPORT
GRANT, \$1,500 INNOVATIVE PROJECT GRANT & \$4,018 ADVERTISING ASSISTANCE

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

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

OMB No 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number

56-0526856

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990,
Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

☒ First-class or charter travel

☒ Travel for companions

☒ Tax indemnification and gross-up payments

☒ Discretionary spending account

☒ Housing allowance or residence for personal use

☒ Payments for business use of personal residence

☒ Health or social club dues or initiation fees

☒ Personal services (e.g., maid, chauffeur, chef)

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or
reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors,
trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's
CEO/Executive Director. Check all that apply

☒ Compensation committee

☐ Independent compensation consultant

☐ Form 990 of other organizations

☒ Written employment contract

☐ Compensation survey or study

☒ Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing
organization or a related organization

a Receive a severance payment or change-of-control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the revenues of

a The organization?

b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the net earnings of

a The organization?

b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments
not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the
initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in
Regulations section 53.4958-6(c)?

Yes No

1b

X

2

X

4a

X

4b

X

4c

X

5a

X

5b

X

6a

X

6b

X

7

X

8

X

9

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2009

Part III Supplemental Information

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

PART I, LINE 5: THE EMPLOYMENT CONTRACT BETWEEN MR. RHODES AND THE ARTS COUNCIL PROVIDES FOR THE PAYMENT OF BONUS COMPENSATION TO MR. RHODES IF CERTAIN CONDITIONS ARE SATISFIED. A PORTION OF THE BONUS IS EARNED BASED ON THE BUILDING OF STRONG RELATIONSHIPS WITH OUR FUNDED PARTNERS, GOVERNMENTAL OFFICIALS, OUR BOARD MEMBERS, COMMUNITY LEADERS, AS WELL AS THE OVERALL LEADERSHIP OF THE ARTS COUNCIL STAFF. ANOTHER SUCH CONDITION RELATES TO THE PERFORMANCE OF THE ORGANIZATION IN MEETING FUNDRAISING GOALS. PURSUANT TO THE TERMS OF THE CONTRACT, THE ARTS COUNCIL PAID BONUS COMPENSATION TO MR. RHODES IN THE FISCAL YEAR 2009-10.

SCHEDULE J-2
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Form 990

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.
▶ See the Instructions for Form 990.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the Organization

THE ARTS COUNCIL, INC.

Employer Identification number
56-0526856

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
SUE HENDERSON BOARD MEMBER	1.00	X						0.	0.	0.
ANTWAIN GOODE BOARD MEMBER	1.00	X						0.	0.	0.
LUCIA MARSHALL BOARD MEMBER	1.00	X						0.	0.	0.
DR. JOHN MCCONNELL BOARD MEMBER	1.00	X						0.	0.	0.
WANDA MERSCHEL BOARD MEMBER	1.00	X						0.	0.	0.
LEON PORTER BOARD MEMBER	1.00	X						0.	0.	0.
DR. DEBORAH ROSS REAVES BOARD MEMBER	1.00	X						0.	0.	0.
SILVIA RODRIGUEZ BOARD MEMBER	1.00	X						0.	0.	0.
RANDALL S. TUTTLE BOARD MEMBER	1.00	X						0.	0.	0.
WILLIAM F. WOMBLE, JR. BOARD MEMBER	1.00	X						0.	0.	0.
DARA FOLAN IMMEDIATE PAST CHAIR	1.00	X		X				0.	0.	0.
JILL TIEFENTHALER BOARD MEMBER	1.00	X						0.	0.	0.
MARYBETH WALLACE BOARD MEMBER	1.00	X						0.	0.	0.
MILTON RHODES PRESIDENT & CEO	40.00				X			166,000.	0.	10,272.

SCHEDULE K
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds
► Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).
► Attach to Form 990. See separate instructions.

OMB No. 1545-0047

2009
Open to Public
Inspection

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number
56-0526856

Part I Bond Issues SEE SCHEDULE O FOR COLUMN (F) CONTINUATIONS

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer	
						Yes	No	Yes	No
FORSYTH CNTY INDUSTRIAL A FACILITIES & POLLUTION C59-1225493		NONE	05/27/10	7500000.	CONSTRUCT A MULTI-USE BUILDING		X		X
B									
C									
D									
E									

Part II Proceeds

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Total proceeds of issue		7,500,000.								
2 Gross proceeds in reserve funds										
3 Proceeds in refunding or defeasance escrows										
4 Other unspent proceeds										
5 Issuance costs from proceeds		79,719.								
6 Working capital expenditures from proceeds										
7 Capital expenditures from proceeds		7,420,281.								
8 Year of substantial completion		2010								
9 Were the bonds issued as part of a current refunding issue?										
10 Were the bonds issued as part of an advance refunding issue?		X								
11 Has the final allocation of proceeds been made?	X									
12 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X									

Part III Private Business Use

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

Part III Private Business Use (Continued)

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

Part IV Arbitrage

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

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

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

OMB No 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number

56-0526856

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory	X	2	10,081.	FMV
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (WEBSITE)	X	1	85,000.	FMV
26 Other ► (EQUIPMENT)	X	1	25,400.	FMV
27 Other ► (CAMERA)	X	1	225.	FMV
28 Other ► ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions
for which the organization completed Form 8283, Part IV, Donee Acknowledgment

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for
at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for
the entire holding period?

b If "Yes," describe the arrangement in Part II

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash
contributions?

b If "Yes," describe in Part II

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked,
describe in Part II

Yes No

30a		X
31		X
32a		X

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No. 1545-0047

2009

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Inspection

Name of the organization

THE ARTS COUNCIL, INC.

Employer identification number
56-0526856

FORM 990, PART III, LINE 2, NEW PROGRAM SERVICES:

THE HANESBRANDS THEATRE AT THE MILTON RHODES CENTER FOR THE ARTS IS A
300 SEAT MULTI-PURPOSE BLACK BOX THEATRE LOCATED AT 209 N. SPRUCE
STREET IN DOWNTOWN WINSTON-SALEM. THE THEATRE EMPLOYS THREE FULL TIME
STAFF AND A HANDFUL OF PART-TIME STAFF.

FORM 990, PART VI, SECTION B, LINE 11: THE FORM 990 IS REVIEWED BY THE
FINANCE COMMITTEE AND THE CEO BEFORE IT IS FILED WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 15A: COMPENSATION IS DETERMINED AND
APPROVED BY THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES AND IS BASED
ON SEVERAL FACTORS, INCLUDING (A) EVALUATIONS SUBMITTED ANONYMOUSLY BY THE
MEMBERS IF THE BOARD OF TRUSTEES AND THE EXECUTIVE DIRECTORS OF THE FUNDED
PARTNERS; AND (B) HIS PERFORMANCE AS MEASURED AGAINST METRICS SPECIFIED IN
HIS EMPLOYMENT CONTRACT.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION MAKES IT GOVERNING
DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE
TO THE PUBLIC UPON REQUEST.

SCHEDULE K, PART I, BOND ISSUES:

(A) ISSUER NAME:

FORSYTH CNTY INDUSTRIAL FACILITIES & POLLUTION CONTROL FINANCING AUTHORITY

(B) DESCRIPTION OF PURPOSE: CONSTRUCT A MULTI-USE BUILDING

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?**a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity**b** Gift, grant, or capital contribution to other organization(s)**c** Gift, grant, or capital contribution from other organization(s)**d** Loans or loan guarantees to or for other organization(s)**e** Loans or loan guarantees by other organization(s)**f** Sale of assets to other organization(s)**g** Purchase of assets from other organization(s)**h** Exchange of assets**i** Lease of facilities, equipment, or other assets to other organization(s)**j** Lease of facilities, equipment, or other assets from other organization(s)**k** Performance of services or membership or fundraising solicitations for other organization(s)**l** Performance of services or membership or fundraising solicitations by other organization(s)**m** Sharing of facilities, equipment, mailing lists, or other assets**n** Sharing of paid employees**o** Reimbursement paid to other organization for expenses**p** Reimbursement paid by other organization for expenses**q** Other transfer of cash or property to other organization(s)**r** Other transfer of cash or property from other organization(s)**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of other organization(s)	(b) Transaction type (a-r)	(c) Amount involved
(1)	FACILITIES FOR THE ARTS ON SPRUCE FOUNDATION	B	600,000.
(2)	FACILITIES FOR THE ARTS ON SPRUCE FOUNDATION	P	9,958.
(3)	FACILITIES FOR THE ARTS ON SPRUCE FOUNDATION	Q	226,127.
(4)			
(5)			
(6)			

