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Form **990-PF**

Department of the Treasury
Internal Revenue Service

# Return of Private Foundation

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

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

OMB No 1545-0052

**2010**

**For calendar year 2010, or tax year beginning 01-01-2010 , and ending 12-31-2010**

**G** Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Name of foundation
THE HARVEST FOUNDATION OF THE PIEDMONT

Number and street (or P O box number if mail is not delivered to street address)
PO BOX 5183

Room/suite

City or town, state, and ZIP code
MARTINSVILLE, VA 24115

**A Employer identification number**
31-1496872

**B** Telephone number (see page 10 of the instructions)
(276) 632-3329

**C** If exemption application is pending, check here ☐
**D 1.** Foreign organizations, check here ☐
**2.** Foreign organizations meeting the 85% test, check here and attach computation ☐
**E** If private foundation status was terminated under section 507(b)(1)(A), check here ☐
**F** If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

**H** Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

**I** Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 197,423,572

**J** Accounting method ☐ Cash ☑ Accrual
☐ Other (specify)
*(Part I, column (d) must be on cash basis.)*

## Part I Analysis of Revenue and Expenses

*(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions) )*

| | | | (a) Revenue and expenses per books | (b) Net investment income | (c) Adjusted net income | (d) Disbursements for charitable purposes (cash basis only) |
|---|---|---|---|---|---|---|
| Revenue | 1 | Contributions, gifts, grants, etc , received (attach schedule) | | | | |
| | 2 | Check ▶ ☑ if the foundation is **not** required to attach Sch B | | | | |
| | 3 | Interest on savings and temporary cash investments | 14,608 | 14,608 | | |
| | 4 | Dividends and interest from securities | 4,459,845 | 4,459,845 | | |
| | 5a | Gross rents | | | | |
| | b | Net rental income or (loss) | | | | |
| | 6a | Net gain or (loss) from sale of assets not on line 10 | 8,689,064 | | | |
| | b | Gross sales price for all assets on line 6a 48,844,812 | | | | |
| | 7 | Capital gain net income (from Part IV, line 2) | | 8,689,064 | | |
| | 8 | Net short-term capital gain | | | | |
| | 9 | Income modifications | | | | |
| | 10a | Gross sales less returns and allowances | | | | |
| | b | Less Cost of goods sold | | | | |
| | c | Gross profit or (loss) (attach schedule) | | | | |
| | 11 | Other income (attach schedule) | 661,310 | 661,310 | 9,435 | |
| | 12 | **Total.** Add lines 1 through 11 | 13,824,827 | 13,824,827 | 9,435 | |
| Operating and Administrative Expenses | 13 | Compensation of officers, directors, trustees, etc | 169,692 | 16,969 | | 158,247 |
| | 14 | Other employee salaries and wages | 392,872 | 17,148 | | 378,912 |
| | 15 | Pension plans, employee benefits | 76,719 | 4,798 | | 71,921 |
| | 16a | Legal fees (attach schedule) | 17,289 | 1,729 | | 14,255 |
| | b | Accounting fees (attach schedule) | 10,365 | 5,183 | | 4,135 |
| | c | Other professional fees (attach schedule) | 1,609,896 | 1,409,253 | | 186,653 |
| | 17 | Interest | | | | |
| | 18 | Taxes (attach schedule) (see page 14 of the instructions) | 40,764 | 2,227 | | 38,537 |
| | 19 | Depreciation (attach schedule) and depletion | 41,332 | | | |
| | 20 | Occupancy | 26,900 | 2,690 | | 24,210 |
| | 21 | Travel, conferences, and meetings | 47,533 | 4,753 | | 43,635 |
| | 22 | Printing and publications | 3,791 | 379 | | 3,338 |
| | 23 | Other expenses (attach schedule) | 217,051 | 7,645 | | 206,635 |
| | 24 | **Total operating and administrative expenses.** Add lines 13 through 23 | 2,654,204 | 1,472,774 | | 1,130,478 |
| | 25 | Contributions, gifts, grants paid | -5,413,012 | | | 7,579,478 |
| | 26 | **Total expenses and disbursements.** Add lines 24 and 25 | -2,758,808 | 1,472,774 | | 8,709,956 |
| | 27 | Subtract line 26 from line 12 | | | | |
| | a | **Excess of revenue over expenses and disbursements** | 16,583,635 | | | |
| | b | **Net investment income** (if negative, enter -0-) | | 12,352,053 | | |
| | c | **Adjusted net income** (if negative, enter -0-) | | | 9,435 | |

**Part II** **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions )

| | | Beginning of year | End of year | |
|---|---|---|---|---|
| | | (a) Book Value | (b) Book Value | (c) Fair Market Value |
| **Assets** | | | | |
| 1 | Cash—non-interest-bearing | 47,243 | 193,434 | 193,434 |
| 2 | Savings and temporary cash investments | 24,314,396 | 777,844 | 777,844 |
| 3 | Accounts receivable ▶ | | | |
| | Less allowance for doubtful accounts ▶ | 15,812 | | |
| 4 | Pledges receivable ▶ | | | |
| | Less allowance for doubtful accounts ▶ | | | |
| 5 | Grants receivable | | | |
| 6 | Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions) | | | |
| 7 | Other notes and loans receivable (attach schedule) ▶ 340,000 | | | |
| | Less allowance for doubtful accounts ▶ | 340,000 | 340,000 | 340,000 |
| 8 | Inventories for sale or use | | | |
| 9 | Prepaid expenses and deferred charges | 12,823 | 12,432 | 12,432 |
| 10a | Investments—U S and state government obligations (attach schedule) | | | |
| b | Investments—corporate stock (attach schedule) | 12,709,782 | 15,605,089 | 15,605,089 |
| c | Investments—corporate bonds (attach schedule) | | | |
| 11 | Investments—land, buildings, and equipment basis ▶ | | | |
| | Less accumulated depreciation (attach schedule) ▶ | 184,103 | | |
| 12 | Investments—mortgage loans | | | |
| 13 | Investments—other (attach schedule) | 147,380,533 | 180,350,521 | 180,350,521 |
| 14 | Land, buildings, and equipment basis ▶ 283,032 | | | |
| | Less accumulated depreciation (attach schedule) ▶ 170,228 | 129,208 | 112,804 | 112,804 |
| 15 | Other assets (describe ▶ ) | 12,786 | 31,448 | 31,448 |
| 16 | **Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I) | 185,146,686 | 197,423,572 | 197,423,572 |
| **Liabilities** | | | | |
| 17 | Accounts payable and accrued expenses | 116,671 | 122,404 | |
| 18 | Grants payable | 20,623,433 | 7,630,943 | |
| 19 | Deferred revenue | | | |
| 20 | Loans from officers, directors, trustees, and other disqualified persons | | | |
| 21 | Mortgages and other notes payable (attach schedule) | | | |
| 22 | Other liabilities (describe ▶ ) | 850,963 | 770,317 | |
| 23 | **Total liabilities** (add lines 17 through 22) | 21,591,067 | 8,523,664 | |
| **Net Assets or Fund Balances** | | | | |
| | **Foundations that follow SFAS 117, check here** ▶ ☑ **and complete lines 24 through 26 and lines 30 and 31.** | | | |
| 24 | Unrestricted | 163,555,619 | 188,899,908 | |
| 25 | Temporarily restricted | | | |
| 26 | Permanently restricted | | | |
| | **Foundations that do not follow SFAS 117, check here** ▶ ☐ **and complete lines 27 through 31.** | | | |
| 27 | Capital stock, trust principal, or current funds | | | |
| 28 | Paid-in or capital surplus, or land, bldg , and equipment fund | | | |
| 29 | Retained earnings, accumulated income, endowment, or other funds | | | |
| 30 | **Total net assets or fund balances** (see page 17 of the instructions) | 163,555,619 | 188,899,908 | |
| 31 | **Total liabilities and net assets/fund balances** (see page 17 of the instructions) | 185,146,686 | 197,423,572 | |

**Part III** **Analysis of Changes in Net Assets or Fund Balances**

| | | | |
|---|---|---|---|
| 1 | Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) | 1 | 163,555,619 |
| 2 | Enter amount from Part I, line 27a | 2 | 16,583,635 |
| 3 | Other increases not included in line 2 (itemize) ▶ | 3 | 8,956,008 |
| 4 | Add lines 1, 2, and 3 | 4 | 189,095,262 |
| 5 | Decreases not included in line 2 (itemize) ▶ | 5 | 195,354 |
| 6 | Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 | 6 | 188,899,908 |

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

| | (a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co ) | (b) How acquired P—Purchase D—Donation | (c) Date acquired (mo , day, yr ) | (d) Date sold (mo , day, yr ) |
|---|---|---|---|---|
| 1a | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

| | (e) Gross sales price | (f) Depreciation allowed (or allowable) | (g) Cost or other basis plus expense of sale | (h) Gain or (loss) (e) plus (f) minus (g) |
|---|---|---|---|---|
| a | | | | |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

| | (i) F M V as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col (i) over col (j), if any | (l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h)) |
|---|---|---|---|---|
| a | | | | |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |

| | | | |
|---|---|---|---|
| 2 | Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } | 2 | 8,689,064 |
| 3 | Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8 | 3 | |

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

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

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

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

**1** Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (col (b) divided by col (c)) |
|---|---|---|---|
| 2009 | 8,658,294 | 164,751,432 | 0 05255 |
| 2008 | | | |
| 2007 | | | |
| 2006 | | | |
| 2005 | | | |

| | | | |
|---|---|---|---|
| 2 | **Total** of line 1, column (d) | 2 | 0 05255 |
| 3 | Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years | 3 | 0 05255 |
| 4 | Enter the net value of noncharitable-use assets for 2010 from Part X, line 5 | 4 | 183,139,045 |
| 5 | Multiply line 4 by line 3 | 5 | 9,624,689 |
| 6 | Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 123,521 |
| 7 | Add lines 5 and 6 | 7 | 9,748,210 |
| 8 | Enter qualifying distributions from Part XII, line 4 | 8 | 8,709,956 |

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)**

| | | | | |
|---|---|---|---|---|
| 1a | Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1<br>Date of ruling or determination letter ____________ **(attach copy of letter if necessary–see instructions)** | | | |
| b | Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b | | 1 | 247,041 |
| c | All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b) | | | |
| 2 | Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) | | 2 | |
| 3 | Add lines 1 and 2 | | 3 | 247,041 |
| 4 | Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) | | 4 | |
| 5 | **Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0- | | 5 | 247,041 |
| 6 | Credits/Payments | | | |
| a | 2010 estimated tax payments and 2009 overpayment credited to 2010 | 6a 228,199 | | |
| b | Exempt foreign organizations—tax withheld at source | 6b | | |
| c | Tax paid with application for extension of time to file (Form 8868) | 6c 100,000 | | |
| d | Backup withholding erroneously withheld | 6d | | |
| 7 | Total credits and payments Add lines 6a through 6d | | 7 | 328,199 |
| 8 | Enter any **penalty** for underpayment of estimated tax Check here ☑ if Form 2220 is attached | | 8 | |
| 9 | **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶ | | 9 | |
| 10 | **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶ | | 10 | 81,158 |
| 11 | Enter the amount of line 10 to be **Credited to 2011 estimated tax** ▶ 81,158 | **Refunded** ▶ | 11 | |

**Part VII-A Statements Regarding Activities**

| | | | Yes | No |
|---|---|---|---|---|
| 1a | During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? | 1a | | No |
| b | Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? | 1b | | No |
| | *If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.* | | | |
| c | Did the foundation file **Form 1120-POL** for this year? | 1c | | No |
| d | Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year<br>**(1)** On the foundation ▶ $ ____________ **(2)** On foundation managers ▶ $ ____________ | | | |
| e | Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ____________ | | | |
| 2 | Has the foundation engaged in any activities that have not previously been reported to the IRS?<br>*If "Yes," attach a detailed description of the activities.* | 2 | | No |
| 3 | Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes* | 3 | Yes | |
| 4a | Did the foundation have unrelated business gross income of $1,000 or more during the year? | 4a | | No |
| b | If "Yes," has it filed a tax return on **Form 990-T** for this year? | 4b | | No |
| 5 | Was there a liquidation, termination, dissolution, or substantial contraction during the year?<br>*If "Yes," attach the statement required by General Instruction T.* | 5 | | No |
| 6 | Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either<br>• By language in the governing instrument, or<br>• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? | 6 | Yes | |
| 7 | Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV* | 7 | Yes | |
| 8a | Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ VA | | | |
| b | If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation* | 8b | Yes | |
| 9 | Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV* | 9 | | No |
| 10 | Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses* | 10 | | No |

## Part VII-A Statements Regarding Activities *(continued)*

| | | | | |
|---|---|---|---|---|
| 11 | At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions) | 11 | | No |
| 12 | Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? | 12 | | No |
| 13 | Did the foundation comply with the public inspection requirements for its annual returns and exemption application? | 13 | Yes | |

Website address ▶WWW THEHARVESTFOUNDATION ORG

14 The books are in care of ▶ALLYSON ROTHROCK Telephone no ▶(276) 632-3329

Located at ▶1 ELLSWORTH STREET MARTINSVILLE VA ZIP+4 ▶24112

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 | |

| | | | | |
|---|---|---|---|---|
| 16 | At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? | 16 | Yes | |

See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes", enter the name of the foreign country ▶ OC

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

**File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.**

| | | | Yes | No |
|---|---|---|---|---|
| 1a | During the year did the foundation (either directly or indirectly) | | | |
| | **(1)** Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No | | | |
| | **(2)** Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No | | | |
| | **(3)** Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No | | | |
| | **(4)** Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☑ No | | | |
| | **(5)** Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No | | | |
| | **(6)** Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days ). ☐ Yes ☑ No | | | |
| b | If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? | 1b | | No |
| | Organizations relying on a current notice regarding disaster assistance check here ▶ ☐ | | | |
| c | Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010? | 1c | | No |
| 2 | Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)) | | | |
| a | At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ Yes ☑ No | | | |
| | If "Yes," list the years ▶ 20____, 20____, 20____, 20____ | | | |
| b | Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions ) | 2b | | No |
| c | If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____ | | | |
| 3a | Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☑ No | | | |
| b | If "Yes," did it have excess business holdings in 2010 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.)* | 3b | | No |
| 4a | Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | 4a | | No |
| b | Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010? | 4b | | No |

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

| | | | | |
|---|---|---|---|---|
| **5a** | During the year did the foundation pay or incur any amount to | | | |
| | **(1)** Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No | | | |
| | **(2)** Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No | | | |
| | **(3)** Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No | | | |
| | **(4)** Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☑ No | | | |
| | **(5)** Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No | | | |
| **b** | If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? | **5b** | | **No** |
| | Organizations relying on a current notice regarding disaster assistance check here ▶ ☐ | | | |
| **c** | If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☑ No | | | |
| | *If "Yes," attach the statement required by Regulations section 53.4945–5(d).* | | | |
| **6a** | Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No | | | |
| **b** | Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | **6b** | | **No** |
| | *If "Yes" to 6b, file Form 8870.* | | | |
| **7a** | At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No | | | |
| **b** | If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? | **7b** | | **No** |

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

**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

| **(a)** Name and address | **(b)** Title, and average hours per week devoted to position | **(c)** Compensation **(If not paid, enter -0-)** | **(d)** Contributions to employee benefit plans and deferred compensation | **(e)** Expense account, other allowances |
|---|---|---|---|---|
| See Additional Data Table | | | | |
| | | | | |
| | | | | |
| | | | | |

**2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."**

| **(a)** Name and address of each employee paid more than $50,000 | **(b)** Title, and average hours per week devoted to position | **(c)** Compensation | **(d)** Contributions to employee benefit plans and deferred compensation | **(e)** Expense account, other allowances |
|---|---|---|---|---|
| CHRISTINA REED<br>1 ELLSWORTH STREET<br>MARTINSVILLE, VA 24112 | CONTROLLER<br>40 00 | 43,870 | 12,018 | |
| ELOISE WADE<br>1 ELLSWORTH STREET<br>MARTINSVILLE, VA 24112 | EXECUTIVE ASSISTAN<br>40 00 | 47,250 | 12,537 | |
| NANCY J COX<br>1 ELLSWORTH STREET<br>MARTINSVILLE, VA 24112 | PROGRAM OFFICER<br>40 00 | 83,850 | 12,167 | |
| JEFFERY W MANSOUR-BRUDERER<br>1 ELLSWORTH STREET<br>MARTINSVILLE, VA 24112 | PROGRAM OFFICER<br>40 00 | 95,275 | 15,318 | |
| ANGELA LOGAN<br>1 ELLSWORTH STREET<br>MARTINSVILLE, VA 24112 | PROGRAM OFFICER<br>40 00 | 76,500 | 13,277 | |
| **Total** number of other employees paid over $50,000 ▶ | | | | |

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

**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE".**

| **(a)** Name and address of each person paid more than $50,000 | **(b)** Type of service | **(c)** Compensation |
|---|---|---|
| STATE STREET BANK AND TRUST COMPANY<br>125 SUNNYNOLL COURT SUITE 200<br>WINSTON SALEM, NC 27106 | INVESTMENT CONSULTIN | 54,367 |
| COLONIAL CONSULTING CORPORATION<br>750 THIRD AVE<br>NEW YORK, NY 100172703 | INVESTMENT CONSULTIN | 152,211 |
| | | |
| | | |
| | | |
| **Total** number of others receiving over $50,000 for professional services . . . . . . . . . . . . . . ▶ | | |

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

| List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc | Expenses |
|---|---|
| **1** SUPPORT OF K-12 EDUCATION INITIATIVES IN MARTINSVILLE AND HENRY COUNTY THROUGH TECHNICAL ASSISTENCE AND EVALUATION FOR THE GRANTS AWARDED TO HENRY COUNTY PUBLIC SCHOOLS, MARTINVILLE CITY SCHOOLS AND THE CARLISLE SCHOOL | 103,130 |
| **2** | |
| **3** | |
| **4** | |

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

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2 | Amount |
|---|---|
| **1** | |
| **2** | |
| All other program-related investments See page 24 of the instructions<br>**3** | |
| **Total.** Add lines 1 through 3. . . . . . . . . . . . . . . . . . . . . . . . . . ▶ | |

**Part X** **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

| | | | |
|---|---|---|---|
| 1 | Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes | | |
| a | Average monthly fair market value of securities | 1a | 178,747,690 |
| b | Average of monthly cash balances | 1b | 7,180,274 |
| c | Fair market value of all other assets (see page 24 of the instructions) | 1c | 0 |
| d | **Total** (add lines 1a, b, and c) | 1d | 185,927,964 |
| e | Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e 0 | | |
| 2 | Acquisition indebtedness applicable to line 1 assets | 2 | |
| 3 | Subtract line 2 from line 1d | 3 | 185,927,964 |
| 4 | Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions) | 4 | 2,788,919 |
| 5 | **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4 | 5 | 183,139,045 |
| 6 | **Minimum investment return.** Enter 5% of line 5 | 6 | 9,156,952 |

**Part XI** **Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

| | | | | | |
|---|---|---|---|---|---|
| 1 | Minimum investment return from Part X, line 6 | | | 1 | 9,156,952 |
| 2a | Tax on investment income for 2010 from Part VI, line 5 | 2a | 247,041 | | |
| b | Income tax for 2010 (This does not include the tax from Part VI ) | 2b | | | |
| c | Add lines 2a and 2b | | | 2c | 247,041 |
| 3 | Distributable amount before adjustments Subtract line 2c from line 1 | | | 3 | 8,909,911 |
| 4 | Recoveries of amounts treated as qualifying distributions | | | 4 | |
| 5 | Add lines 3 and 4 | | | 5 | 8,909,911 |
| 6 | Deduction from distributable amount (see page 25 of the instructions) | | | 6 | |
| 7 | **Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1 | | | 7 | 8,909,911 |

**Part XII** **Qualifying Distributions** (see page 25 of the instructions)

| | | | |
|---|---|---|---|
| 1 | Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes | | |
| a | Expenses, contributions, gifts, etc —total from Part I, column (d), line 26 | 1a | 8,709,956 |
| b | Program-related investments—total from Part IX-B | 1b | |
| 2 | Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes | 2 | |
| 3 | Amounts set aside for specific charitable projects that satisfy the | | |
| a | Suitability test (prior IRS approval required) | 3a | |
| b | Cash distribution test (attach the required schedule) | 3b | |
| 4 | **Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4 | 4 | 8,709,956 |
| 5 | Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions) | 5 | |
| 6 | **Adjusted qualifying distributions.** Subtract line 5 from line 4 | 6 | 8,709,956 |

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

**Part XIII Undistributed Income** (see page 26 of the instructions)

| | (a) Corpus | (b) Years prior to 2009 | (c) 2009 | (d) 2010 |
|---|---|---|---|---|
| 1 Distributable amount for 2010 from Part XI, line 7 | | | | 8,909,911 |
| 2 Undistributed income, if any, as of the end of 2010 | | | | |
| a Enter amount for 2009 only. . . . . . . | | | | |
| b Total for prior years 20___, 20___, 20___ | | | | |
| 3 Excess distributions carryover, if any, to 2010 | | | | |
| a From 2005. . . . . . . | | | | |
| b From 2006. . . . . . . | | | | |
| c From 2007. . . . . . . | | | | |
| d From 2008. . . . . . . | | | | |
| e From 2009. . . . . . . 482,246 | | | | |
| f **Total** of lines 3a through e. . . . . . . . . | 482,246 | | | |
| 4 Qualifying distributions for 2010 from Part XII, line 4 ▶ $ 8,709,956 | | | | |
| a Applied to 2009, but not more than line 2a | | | | |
| b Applied to undistributed income of prior years (Election required—see page 26 of the instructions) | | | | |
| c Treated as distributions out of corpus (Election required—see page 26 of the instructions). . . | 0 | | | |
| d Applied to 2010 distributable amount. . . . . | | | | 8,709,956 |
| e Remaining amount distributed out of corpus | | | | |
| 5 Excess distributions carryover applied to 2010 *(If an amount appears in column (d), the same amount must be shown in column (a).)* | 199,955 | | | 199,955 |
| 6 **Enter the net total of each column as indicated below:** | | | | |
| a Corpus Add lines 3f, 4c, and 4e Subtract line 5 | 282,291 | | | |
| b Prior years' undistributed income Subtract line 4b from line 2b . . . . . . . . . . . . | | | | |
| c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed. . . . . . | | | | |
| d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions . . . | | | | |
| e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions . . . . . . . . . . . . | | | | |
| f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011 . . . . . . . . . . | | | | 0 |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions) . . . . . . . . . . . | | | | |
| 8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions) . . . . . . . . . . . . . . | | | | |
| 9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a . . . . . . | 282,291 | | | |
| 10 Analysis of line 9 | | | | |
| a Excess from 2006. . . . | | | | |
| b Excess from 2007. . . . | | | | |
| c Excess from 2008. . . . | | | | |
| d Excess from 2009. . . . 282,291 | | | | |
| e Excess from 2010. . . . | | | | |

**Part XIV** **Private Operating Foundations** (see page 27 of the instructions and Part VII-A, question 9)

**1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling . . . . . . ▶

**b** Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

| | Tax year | Prior 3 years | | | (e) Total |
|---|---|---|---|---|---|
| | **(a)** 2010 | **(b)** 2009 | **(c)** 2008 | **(d)** 2007 | |
| **2a** Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed | | | | | |
| **b** 85% of line 2a | | | | | |
| **c** Qualifying distributions from Part XII, line 4 for each year listed | | | | | |
| **d** Amounts included in line 2c not used directly for active conduct of exempt activities | | | | | |
| **e** Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c | | | | | |
| **3** Complete 3a, b, or c for the alternative test relied upon | | | | | |
| **a** "Assets" alternative test—enter | | | | | |
| **(1)** Value of all assets | | | | | |
| **(2)** Value of assets qualifying under section 4942(j)(3)(B)(i) | | | | | |
| **b** "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed | | | | | |
| **c** "Support" alternative test—enter | | | | | |
| **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) | | | | | |
| **(2)** Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) | | | | | |
| **(3)** Largest amount of support from an exempt organization | | | | | |
| **(4)** Gross investment income | | | | | |

**Part XV** **Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see page 27 of the instructions.)**

**1 Information Regarding Foundation Managers:**

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

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

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

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

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

HARVEST FOUNDATION OF THE PIEDMONT
1 ELLSWORTH ST
MARTINSVILLE, VA 24112
(276) 632-3329

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

APPLICANTS SHOULD FIRST FILL OUT A PROGRAM SUMMARY THIS CAN BE SUBMITTED ON-LINE AT WWW THEHARVESTFOUNDATION ORG AS APPROPRIATE, THE PROGRAM STAFF WILL INVITE APPLICANT ORGANIZATIONS TO SUBMIT A FULL PROPOSAL

**c** Any submission deadlines

NO SPECIFIC DEADLINES FOR DOCUMENT SUBMISSION

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

ORGANIZATION MUST BE CLASSIFIED AS A TAX-EXEMPT, NONPROFIT ORGANIZATION UNDER 501(C)(3) OF THE INTERNAL REVENUE CODE ORGANIZATIONS WITH OTHER 501(C)(4) AND 501(C)(6) TAX STATUS MAY BE CONSIDERED AT THE DISCRETION OF THE FOUNDATION AND BASED ON THE CHARITABLE INTENT OF THE PROPOSAL ORGANIZATION MUST BE LOCATED WITHIN, OR HAVE ITS PROGRAM FOCUSED WITHIN, MARTINSVILLE OR HENRY COUNTY VIRGINIA AND BE PROPOSING A PROGRAM WITHIN ONE OF THE FOUNDATION'S THREE FOCUS AREAS OF HEALTH, EDUCATION, AND COMMUNITY VITALITY

**Part XV Supplementary Information** (continued)

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

| Recipient<br>Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|---|---|---|---|
| **a** *Paid during the year*<br>See Additional Data Table | | | | |
| **Total** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ▶ **3a** | | | | 7,579,478 |
| **b** *Approved for future payment*<br>See Additional Data Table | | | | |
| **Total** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ▶ **3b** | | | | 6,376,523 |

**Part XVI-A Analysis of Income-Producing Activities**

| Enter gross amounts unless otherwise indicated | Unrelated business income | | Excluded by section 512, 513, or 514 | | (e) Related or exempt function income (See page 28 of the instructions ) |
|---|---|---|---|---|---|
| | (a) Business code | (b) Amount | (c) Exclusion code | (d) Amount | |
| 1 Program service revenue | | | | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| f | | | | | |
| g Fees and contracts from government agencies | | | | | |
| 2 Membership dues and assessments. . . . | | | | | |
| 3 Interest on savings and temporary cash investments | | | 14 | 14,608 | |
| 4 Dividends and interest from securities. . . . | | | 14 | 4,459,845 | |
| 5 Net rental income or (loss) from real estate | | | | | |
| a Debt-financed property. . . . . . | | | | | |
| b Not debt-financed property. . . . . | | | | | |
| 6 Net rental income or (loss) from personal property | | | | | |
| 7 Other investment income. . . . . | | | | | |
| 8 Gain or (loss) from sales of assets other than inventory | | | 18 | 8,689,064 | |
| 9 Net income or (loss) from special events | | | | | |
| 10 Gross profit or (loss) from sales of inventory. . | | | | | |
| 11 Other revenue a ORDINARY K-1 INCOME (LOSS) | | | 14 | 651,875 | |
| b Interest on Prog Rel Inv | | | | | 9,435 |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| 12 Subtotal Add columns (b), (d), and (e). . | | | | 13,815,392 | 9,435 |

13 **Total.** Add line 12, columns (b), (d), and (e). . . . . . . . . . . . . . . . . . . . . . . **13** 13,824,827

(See worksheet in line 13 instructions on page 28 to verify calculations )

**Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes**

| Line No. | Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions ) |
|---|---|
| 3e | INTEREST INCOME ON A PROGRAM RELATED LOAN (INVESTMENT) |

**Part XVII** **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

| | | | Yes | No |
|---|---|---|---|---|
| **1** | Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | | |
| **a** | Transfers from the reporting foundation to a noncharitable exempt organization of | | | |
| | **(1)** Cash | **1a(1)** | | **No** |
| | **(2)** Other assets | **1a(2)** | | **No** |
| **b** | Other transactions | | | |
| | **(1)** Sales of assets to a noncharitable exempt organization | **1b(1)** | | **No** |
| | **(2)** Purchases of assets from a noncharitable exempt organization | **1b(2)** | | **No** |
| | **(3)** Rental of facilities, equipment, or other assets | **1b(3)** | | **No** |
| | **(4)** Reimbursement arrangements | **1b(4)** | | **No** |
| | **(5)** Loans or loan guarantees | **1b(5)** | | **No** |
| | **(6)** Performance of services or membership or fundraising solicitations | **1b(6)** | | **No** |
| **c** | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | **1c** | | **No** |

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

| **(a)** Line No | **(b)** Amount involved | **(c)** Name of noncharitable exempt organization | **(d)** Description of transfers, transactions, and sharing arrangements |
|---|---|---|---|
| | | | |

**2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☑ No

**b** If "Yes," complete the following schedule

| **(a)** Name of organization | **(b)** Type of organization | **(c)** Description of relationship |
|---|---|---|
| | | |

**Sign Here**

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

****** | 2011-11-14 | ******

Signature of officer or trustee | Date | Title

**Paid Preparer's Use Only**

| | | Date | Check if self-employed ☐ | PTIN |
|---|---|---|---|---|
| Preparer's Signature | DAVID B LOWEN CPA | | | |
| Firm's name | Foti Flynn Lowen & Co PC | | Firm's EIN | |
| Firm's address | PO Box 12765<br>Roanoke, VA 240282765 | | Phone no (540) 344-9246 | |

## Additional Data

**Software ID:** 10000105
**Software Version:** 2010v3.2
**EIN:** 31-1496872
**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

### Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

| (a) Name and address | (b) Title, and average hours per week devoted to position | (c) Compensation (If not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|---|---|---|---|---|
| MARTHA W MEDLEY<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | BOARD MEMBER<br>0 00 | 0 | | |
| E LARRY RYDER<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | Chairman<br>0 00 | 0 | | |
| EUGENE C MADONIA MD<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | BOARD MEMEBER<br>2 00 | 0 | | |
| AMY P LAMPE<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | BOARD MEMBER<br>2 00 | 0 | | |
| CYNTHIA INGRAM EdD<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | BOARD MEMBER<br>2 00 | 0 | | |
| W D PRINCE III MD<br>1 ELLSWORTH ST<br>MARTINSVILLE,VA 24112 | Board Member<br>2 00 | 0 | | |
| JAMES W MUEHLECK DDS<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | BOARD MEMBER<br>2 00 | 0 | | |
| GRACIE R AGNEW<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | Secretary<br>2 00 | 0 | | |
| VIRGINIA W HAMLET<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | BOARD MEMBER<br>2 00 | 0 | | |
| PAUL R EASON MD<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | BOARD MEMBER<br>2 00 | 0 | | |
| LEANNA B BLEVINS PhD<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | BOARD MEMBER<br>2 00 | 0 | | |
| JAMES MCCLAIN II<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | VICE CHAIRMAN<br>2 00 | 0 | | |
| ALLYSON ROTHROCK<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | President<br>40 00 | 149,744 | 19,948 | |
| W CHRISTOPHER BEELER<br>1 ELLSWORTH STREET<br>MARTINSVILLE,VA 24112 | Treasurer<br>2 00 | 0 | | |

## Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

| Recipient<br>Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|---|---|---|---|
| **a** *Paid during the year* | | | | |
| new college foundation<br>29 Jones St<br>martinsville, VA 24112 | N/A | 501(c)(3) | to provide funding for a summer internship program | 27,000 |
| United Way of Henry Co and MartinsviLLE<br>134 East Church Street Lower Level<br>MARTINSVILLE, VA 24114 | N/A | 501(c)(3) | to the HOPE Initiative for the development and implementation of a Financial Stability Council | 38,280 |
| Piedmont Virginia Dental Health Foundati<br>407 Starling Avenue<br>MARTINSVILLE, VA 24112 | N/A | 501(c)(3) | to partially fund the full-time dentist program of the Community Dental Clinic | 102,660 |
| New College Foundation<br>29 Jones St<br>MARTINSVILLE, VA 24112 | N/A | 501(c)(3) | to support existing, as well as proposed, academic programs offered by NCI | 769,554 |
| Martinsville-Henry Co Economic Develop<br>134 East Church Street Suite 200<br>Martinsville, VA 24114 | N/A | 501(c)(3) | for the Phoenix Community Development Corporation - to fund pre-development work related to potential real estate projects in uptown | 62,375 |
| Martinsville-HC Coalition for Health & W<br>22 EAST CHURCH STREET<br>MARTINSVILLE, VA 24112 | N/A | 501(c)(3) | to the Coalition for Health and Wellness for an operational bridge grant for program planning to determine future directions in response to the five-year Coalition evaluation and the Community Health Assessment | 583,000 |
| MARTINSVILLE CITY SCHOOLS<br>746 Indian Trail<br>MARTINSVILLE, VA 24112 | N/A | GOVT ENT | for the K-12 Initiative Phase II aimed at increasing student Advanced standardized test scores, increasing AP student enrollment, and to provide professional development for teachers and administrators | 70,000 |
| HENRY COUNTY<br>P O Box 7 3300 Kings Mountain RD<br>COLLINSVILLE, VA 24078 | N/A | GOVT ENT | to Henry County Public Schools for the K-12 Initiative Phase II aimed at increasing student Advanced scores on SOLs, increasing AP student enrollment, and to provide professional development for teachers and administrators | 255,000 |
| HENRY COUNTY<br>P O Box 7 3300 Kings Mountain RD<br>Collinsville, VA 24078 | N/A | GOVT ENT | for the Commonwealth Crossing Business Centre Water and Sewer Infrastructure | 430,000 |
| CITY OF MARTINSVILLE<br>PO Box 1112 55 W Church Street<br>MARTINSVILLE, VA 24114 | N/A | GOVT ENT | to fund pre-development work related to potential real estate projects in uptown | 299,404 |
| City of Martinsville<br>PO Box 1112 55 W Church Street<br>martinsville, VA 24114 | N/A | GOVT ENT | for the Uptown Master Plan Implementation | 327,479 |
| City of Martinsville<br>PO Box 1112 55 W Church Street<br>MARTINSVILLE, VA 24114 | N/A | GOVT ENT | Continuation of operational support for Smith River Sports Complex over three years | 342,203 |
| Carlisle School<br>P O Box 5388<br>MARTINSVILLE, VA 24115 | N/A | 501(c)(3) | To continue its work related with the international Baccalaureate curriculum and the use of Differentiated Instruction | 25,000 |
| United Way of HC and Martinsville<br>134 East Church Street Lower Level<br>MARTINSVILLE, VA 24114 | N/A | 501(c)(3) | to support The Starting Place, a one-stop resource center for families, children, and child care providers located at Liberty Fair Mall | 134,350 |
| City of Martinsville<br>PO Box 1112 55 W Church Street<br>MARTINSVILLE, VA 24114 | N/A | GOVT ENT | for operational support of the Smith River Sports Complex | 206,167 |
| **Total** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ▶ **3a** | | | | 7,579,478 |

**Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment**

| Recipient<br>Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|---|---|---|---|
| **a** *Paid during the year* | | | | |
| Southside Business Technology Center Inc<br>22 E Church Street Suite 300<br>MARTINSVILLE,VA 24112 | N/A | 501(c)(3) | to assist in services to local businesses for employment retention and creation in Martinsville & Henry County | 125,000 |
| PIEDMONT COMMUNITY SERVICES<br>24 CLAY STREET<br>MARTINSVILLE,VA 24112 | N/A | 501(c)(3) | REFUND OF GRANT MONIES NOT SPENT | -3,637 |
| Piedmont Arts Association<br>215 STARLING AVENUE<br>MARTINSVILLE,VA 24112 | N/A | 501(c)(3) | to fund the development of an uptown theatrical venue and for program expansion | 60,000 |
| MARC Workshop Inc<br>PO BOX 3749 1005 JORDAN ST<br>MARTINSVILLE,VA 24115 | N/A | 501(c)(3) | to start-up a mobile employment program for disabled adults, creating competitive, minimum wage jobs for special education students graduating out of the public school system | 75,242 |
| Virginia Museum of Natural History Found<br>21 STARLING AVE<br>MARTINSVILLE,VA 24112 | N/A | 501(c)(3) | to Establish a Children & Nature Network and environmental education laboratory at VMNH that will serve as a clearing house for environmental information/nature-based learning, use nature as a way to stimulate learning and develop opportunities | 63,773 |
| Martinsville-Henry Co Economic Develop<br>134 East Church Street Suite 200<br>MARTINSVILLE,VA 24114 | N/A | 501(c)(3) | to the MHC Revitalization Initiative to implement a community development and revitalization initiative focused on Uptown and other key MHC sites through the establishment of a community development corporation (CDC) | 180,615 |
| Spencer Penn School Preservation Org<br>475 Spencer Penn Road P O Box 506<br>SPENCER,VA 24165 | N/A | 501(c)(3) | to fund the Spencer-Penn Outreach and Sustainability Project This project will help establish Spencer-Penn as a regional host for high quality cultural programming serving all of Henry County and providing the organization with a continued stream of revenue SPSPO will also enhance programming aimed at reaching out to senior citizens throughout western Henry | 24,340 |
| HENRY COUNTY PUBLIC SCHOOLS<br>PO BOX 728<br>COLLINSVILLE,VA 24078 | N/A | 501(c)(3) | The Piedmont Governor's School for Mathematics, Science & Technology to be used to participate in the FIRST Robotics competition | 5,000 |
| New College Foundation<br>29 Jones St<br>MARTINSVILLE,VA 24112 | N/A | 501(c)(3) | To match funds appropriated by the State of VA General Assembly to support existing, as well as proposed, academic programs offered by NCI | 624,830 |
| Dan River Basin Association<br>413 Church Street Suite 401<br>EDEN,NC 27288 | N/A | 501(c)(3) | to fund the Community Connections Rivers & Trails Phase Two in Martinsville & Henry County | 241,400 |
| County of Henry<br>P O Box 7 3300 KINGS MOUNTAIN RD<br>COLLINSVILLE,VA 24078 | N/A | 501(c)(3) | Historic Henry County Courthouse Stabilization Project to match federal funds awarded to the Henry County Historical Society for the stabilization of the historic Henry County Courthouse | 46,534 |
| Community Foundation Of Western Virginia<br>27 West Church Avenue<br>ROANOKE,VA 24011 | N/A | 501(c)(3) | to increase the capacity of the organization | 25,000 |
| Martinsville-Henry Co Economic Develop<br>134 East Church Street Suite 200<br>MARTINSVILLE,VA 24114 | N/A | 501(c)(3) | a continuation of its previous awarded economic development grant Additional funding from The Harvest Foundation is contingent upon Martinsville City, Henry County, and CPEG continuing their current commitment to the area's economic development in the future | 975,000 |
| Martinsville-HC Coalition for Health & W<br>22 East Church Street<br>MARTINSVILLE,VA 24112 | N/A | 501(c)(3) | to launch the Activate Martinsville/Henry County initiative to create a healthier, safer, and more active community | 155,399 |
| New College Foundation<br>29 Jones St<br>martinsville,VA 24112 | N/A | 501(c)(3) | To match funds appropriated by the State of VA General Assembly to support existing, as well as proposed, academic programs offered by NCI | 377,320 |
| **Total** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ▶ **3a** | | | | 7,579,478 |

## Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

| Recipient<br>Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|---|---|---|---|
| **a** *Paid during the year* | | | | |
| Martinsville-HC Coalition for Health & W<br>22 EAST CHURCH STREET<br>MARTINSVILLE, VA 24112 | N/A | 501(c)(3) | to launch a new community-wide health and wellness initiative to health education and care for the uninsured in the Martinsville region | 931,190 |
| **Total** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ▶ **3a** | | | | 7,579,478 |

**Form 990PF Part XV Line 3b - Grants and Contributions Approved for Future Payment**

| Recipient<br>Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|---|---|---|---|
| **b** *Approved for future payment* | | | | |
| United Way of Henry Co and MartinsviLLE134 East Church Street Lower Level<br>MARTINSVILLE,VA 24114 | N/A | 501(c)(3) | to the HOPE Initiative for the development and implementation of a Financial Stability Council | 141,566 |
| Rector & Visitors -The Univ Of VIRGINIA2400 Old Ivy Road<br>Charlottesville,VA 22904 | N/A | 501(c)(3) | to the Weldon Cooper Center for Public Service at the University of Virginia for Enhancing Arts, Culture, and Humanities and Improving Cooperation in Southern Virginia | 150,000 |
| New College Foundation29 Jones St<br>MARTINSVILLE,VA 24112 | N/A | 501(c)(3) | to support existing, as well as proposed, academic programs offered by NCI | 2,308,661 |
| Martinsville-Henry County Economic Devel134 East Church Street Suite 200<br>Martinsville,VA 24114 | N/A | 501(c)(3) | for the Phoenix Community Development Corporation - to fund pre-development work related to potential real estate projects in uptown | 187,125 |
| Martinsville-HC Coalition for Health & W22 East Church Street<br>MARTINSVILLE,VA 24112 | N/A | 501(c)(3) | to the Coalition for Health and Wellness for an operational bridge grant for program planning to determine future directions in response to the five-year Coalition evaluation and the Community Health Assessment | 583,000 |
| MARTINSVILLE CITY SCHOOLS746 Indian Trail<br>MARTINSVILLE,VA 24112 | N/A | GOVT ENT | for the K-12 Initiative Phase II aimed at increasing student Advanced standardized test scores, increasing AP student enrollment, and to provide professional development for teachers and administrators | 350,000 |
| HENRY COUNTYP O Box 7 3300 Kings Mountain RD<br>COLLINSVILLE,VA 24078 | N/A | GOVT ENT | to Henry County Public Schools for the K-12 Initiative Phase II aimed at increasing student Advanced scores on SOLs, increasing AP student enrollment, and to provide professional development for teachers and administrators | 1,275,000 |
| HENRY COUNTYP O Box 7 3300 Kings Mountain RD<br>COLLINSVILLE,VA 24078 | N/A | GOVT ENT | for the Commonwealth Crossing Business Centre Water and Sewer Infrastructure | 430,000 |
| City of MartinsvillePO Box 1112 55 W Church Street<br>MARTINSVILLE,VA 24114 | N/A | GOVT ENT | for the Uptown Master Plan Implementation | 327,479 |
| City of MartinsvillePO Box 1112 55 W Church Street<br>MARTINSVILLE,VA 24114 | N/A | GOVT ENT | Continuation of operational support for Smith River Sports Complex over three years | 523,692 |
| Carlisle SchoolP O Box 5388<br>MARTINSVILLE,VA 24115 | N/A | 501(c)(3) | To continue its work related with the international Baccalaureate curriculum and the use of Differentiated Instruction | 100,000 |
| **Total** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ▶ **3b** | | | | 6,376,523 |

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# TY 2010 Accounting Fees Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Category | Amount | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|---|---|---|---|---|
| ACCOUNTING AND BOOKKEEPING | 10,365 | 5,183 | 0 | 4,135 |

# TY 2010 Contractor Compensation Explanation

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Contractor | Explanation |
|---|---|
| STATE STREET BANK AND TRUST COMPANY | INVESTMENT CONSULTING |
| COLONIAL CONSULTING CORPORATION | INVESTMENT CONSULTING |

# TY 2010 Employee Compensation Explanation

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Employee | Explanation |
|---|---|
| CHRISTINA REED | |
| ELOISE WADE | |
| NANCY J COX | |
| JEFFERY W MANSOUR-BRUDERER | |
| ANGELA LOGAN | |

# TY 2010 Investments Corporate Stock Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Name of Stock | End of Year Book Value | End of Year Fair Market Value |
|---|---|---|
| COMMON STOCKS | 15,605,089 | 15,605,089 |

# TY 2010 Investments - Other Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Category / Item | Listed at Cost or FMV | Book Value | End of Year Fair Market Value |
|---|---|---|---|
| MUTUAL FUNDS | FMV | 39,657,271 | 39,657,271 |
| INVESTMENT IN LIMITED PARTNERSHIP | FMV | 140,693,250 | 140,693,250 |

# TY 2010 Land, Etc. Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Category / Item | Cost / Other Basis | Accumulated Depreciation | Book Value | End of Year Fair Market Value |
|---|---|---|---|---|
| Miscellaneous | 138,373 | 97,408 | 40,965 | 40,965 |
| Improvements | 48,621 | 21,339 | 27,282 | 27,282 |
| Furniture and Fixtures | 96,038 | 51,481 | 44,557 | 44,557 |

# TY 2010 Legal Fees Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Category | Amount | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|---|---|---|---|---|
| LEGAL FEES | 17,289 | 1,729 | 0 | 14,255 |

# TY 2010 Other Assets Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Description | Beginning of Year - Book Value | End of Year - Book Value | End of Year - Fair Market Value |
|---|---|---|---|
| ACCRUED INTEREST & DIVIDENDS RECEIVABLE | 12,786 | 31,448 | 31,448 |

# TY 2010 Other Decreases Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Description | Amount |
|---|---|
| FEDERAL EXCISE TAX -current and deferred | 195,354 |

# TY 2010 Other Expenses Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Description | Revenue and Expenses per Books | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|---|---|---|---|---|
| TELEPHONE | 14,805 | | | 13,912 |
| SUPPLIES | 5,968 | 597 | | 4,905 |
| PUBLIC RELATIONS | 15,259 | 1,526 | | 14,255 |
| POSTAGE AND SHIPPING | 1,624 | 162 | | 1,372 |
| MISCELLANEOUS | 2,755 | | | 2,850 |
| INSURANCE | 22,793 | 2,231 | | 20,182 |
| INFORMATION TECHNOLOGY | 19,872 | 1,987 | | 18,422 |
| EQUIPMENT RENTAL AND MAINTENANCE | 10,754 | 1,076 | | 9,990 |
| DUES & SUBSCRIPTIONS | 19,403 | 66 | | 19,435 |
| DIRECT CHARITABLE EXPENDITURES | 103,130 | | | 100,624 |
| ADVERTISING | 688 | | | 688 |

# TY 2010 Other Income Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Description | Revenue And Expenses Per Books | Net Investment Income | Adjusted Net Income |
|---|---|---|---|
| ORDINARY K-1 INCOME(LOSS) | 651,875 | 651,875 | |
| Interest on Prog Rel Inv | 9,435 | 9,435 | 9,435 |

# TY 2010 Other Increases Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Description | Amount |
|---|---|
| UNREALIZED GAIN ON INVESTMENTS | 8,416,008 |
| OTHER INCREASE | 540,000 |

# TY 2010 Other Liabilities Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Description | Beginning of Year - Book Value | End of Year - Book Value |
|---|---|---|
| CURRENT FEDERAL INCOME TAXES | 137,389 | 23,801 |
| DEFERRED TAX LIABILITY | 713,574 | 746,516 |

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# TY 2010 Other Notes/Loans Receivable Short Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Name of 501(c)(3) Organization | Balance Due |
|---|---|
| MARTINSVILLE REDVLPMNT AND HOU | 340,000 |

# TY 2010 Other Professional Fees Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Category | Amount | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|---|---|---|---|---|
| PROGRAM RELATED CONSULTING | 166,170 | 0 | 0 | 163,650 |
| INVESTMENT ADVISORY SERVICES | 1,399,577 | 1,399,577 | 0 | 0 |
| CONSULTING | 29,249 | 2,226 | 0 | 15,553 |
| AUDITING FEES | 14,900 | 7,450 | 0 | 7,450 |

# TY 2010 Taxes Schedule

**Name:** THE HARVEST FOUNDATION OF THE PIEDMONT

**EIN:** 31-1496872

**Software ID:** 10000105

**Software Version:** 2010v3.2

| Category | Amount | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|---|---|---|---|---|
| TAXES AND LICENSES | 2,626 | | | 2,626 |
| PAYROLL TAXES | 38,138 | 2,227 | | 35,911 |

**AMENDED AND RESTATED ARTICLES OF INCORPORATION**

**OF**

**The Harvest Foundation of the Piedmont**

**A Virginia Nonstock Corporation**

1. **Name**. The name of the Corporation is

**The Harvest Foundation of the Piedmont**

2. **Purpose**. The Corporation is established exclusively for charitable purposes, including without limitation the development and support of activities, programs and organizations that improve the health, welfare and education of the residents of the service areas of the Memorial Hospital of Martinsville and Henry County, with a primary emphasis on the communities of Martinsville and Henry County. Subject to the limitations set forth in these Articles, the Corporation may conduct any or all lawful affairs, not required to be stated specifically in these Articles, for which corporations may be incorporated under the Virginia Nonstock Corporation Act except that the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future federal tax law (the "Code").

3. **Activities and Powers.**

(a) The Corporation shall not be operated for profit. The Corporation may engage only in activities that may be carried on by an organization exempt from federal income tax under Section 501(c)(3) of the Code or by a corporation to which contributions are deductible under Sections 170(c), 2055 and 2522 of the Code. To the extent consistent with Section 501(c)(3) of the Code, the Corporation may exercise any and all powers conferred upon nonstock corporations by Sections 13.1-826 and -827 of the Virginia Nonstock Corporation Act.

(b) No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation (except as otherwise permitted by Section 501(h) of the Code); and the Corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

(c) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any director or officer of the Corporation, or any person having a personal or private interest in the activities of the Corporation, except that the Corporation may pay reasonable compensation for services rendered and may make payments or distributions in furtherance of the purposes set forth in Article 2.

4. **Members**. The Corporation shall have no members.

5. **Directors**. The number of directors shall be not less than nine (9) nor more than eighteen (18). Elected local, county and Commonwealth officials and senior local, county and Commonwealth government officers shall not be entitled to serve on the Board of Directors. Elected members of the Board of Directors shall be divided into three classes (Class I, Class II and Class III) of equivalent number, unless the total number of Directors necessitates that one or two of such classes shall have one member more than the remaining class or classes. The members of each class shall be elected for three-year terms. A Director shall serve no more than three successive terms, but may be eligible for re-election after having not been a Director for a period of at least one year. At each annual meeting, successors to the class of Directors whose terms then shall expire shall be identified as being of the same class as the Directors they succeed and elected or reelected to hold office for a term expiring at the third annual meeting of Directors thereafter. When the number of Directors is changed, any newly created directorships or any decrease in directorships shall be apportioned among the classes by the Board of Directors as to make all classes as nearly equal in number as possible. Directors will be elected by the Board of Directors.

6. **Registered Office and Agent**. The registered office of the Corporation is Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, in the City of Richmond, Virginia 23219. Its initial registered agent at that address is Matthew D. Jenkins, who is a resident of Virginia and a member of the Virginia State Bar, and whose business address is the same as the address of the initial registered office.

7. **Dissolution**. Upon the dissolution of the Corporation and the winding up of its affairs, the assets of the Corporation shall be distributed as the Board of Directors may determine to one or more entities organized and operated exclusively for charitable, scientific, literary or educational purposes and described in Sections 170(c)(2) and 501(c)(3) of the Code when distributions are to be made to them

8. **Indemnification**.

(a) In this Section:

"applicant" means the person seeking indemnification pursuant to this Section.

"expenses" includes counsel fees.

"liability" means the obligation to pay a judgment, settlement, penalty, fine, including any excise tax assessed with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding.

"party" includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.

"proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal.

(b) In any proceeding brought by or in the right of the Corporation, no Director or officer of the Corporation shall be liable to the Corporation for monetary damages with respect to any transaction, occurrence or course of conduct, whether prior or subsequent to the effective date of this Section, except for liability resulting from such person's having engaged in willful misconduct or a knowing violation of the criminal law.

(c) To the full extent allowed by the Virginia Nonstock Corporation Act in force on the date of these Articles the Corporation shall indemnify (i) any person who was or is a party to any proceeding, including a proceeding brought by the Corporation, by reason of the fact that he is or was a Director, officer or employee of the Corporation, or (ii) any Director, officer or employee of the Corporation who is or was serving at the request of the Corporation as a director, trustee, partner, fiduciary or officer of another corporation, partnership, limited liability company, joint venture, trust, or other enterprise, or as a fiduciary of an employee benefit plan (including any similar program for non-employee Directors) sponsored or maintained by the Corporation or to which it contributes, against any liability incurred by him in connection with such proceeding unless he is finally adjudged liable in such proceeding on the basis of his having engaged in willful misconduct or a knowing violation of criminal law. A person is considered to be serving an employee benefit plan at the Corporation's request if his duties to the Corporation also impose duties on, or otherwise involve services by, him to the plan or to participants in or beneficiaries of the plan. The Board of Directors is hereby empowered, by a majority vote of disinterested Directors, to enter into a contract to indemnify any Director, officer or employee in respect of any proceedings arising from any act or omission, whether occurring before or after the execution of such contract.

(d) The provisions of this Section shall be applicable to all proceedings commenced after the adoption hereof arising from any act or omission, whether occurring before or after such adoption. No amendment or repeal of this Section shall have any effect on the rights provided under this Section with respect to any act or omission occurring prior to such amendment or repeal. The Corporation shall promptly take all such actions, and make all such determinations, as shall be necessary or appropriate to comply with its obligation to make any indemnity under this Section and shall promptly pay or reimburse all reasonable expenses incurred by any such Director, officer, or employee in connection with such actions and determinations or proceedings of any kind arising therefrom.

(e) The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the applicant did not meet the standard of conduct described in paragraph (b) or (c) of this Section.

(f) Any indemnification under paragraph (c) of this Section (unless earlier ordered by a court) shall be made by the Corporation promptly upon request by a person specified in paragraph (c) unless such person is finally adjudged in such proceeding to be or have been liable on the basis of his willful misconduct or knowing violation of the criminal law.

(g) (i) The Corporation shall pay for or reimburse the reasonable expenses incurred by any applicant who is a party to a proceeding in advance of final disposition of the proceeding or the making of any determination under section 6 if the applicant furnishes the Corporation:

(A) a written statement of his good faith belief that he has met the standard of conduct described in paragraph (c); and

(B) a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he did not meet such standard of conduct.

(ii) The undertaking required by subsection (B) of subparagraph (i) of this paragraph (g) shall be an unlimited general obligation of the applicant but need not be secured and may be accepted without reference to financial ability to make repayment.

(iii) Payments under this section shall be made by the Corporation promptly upon receipt of such statement and undertaking.

(h) The Board of Directors is hereby empowered, by majority vote of a quorum consisting of disinterested Directors, to cause the Corporation to indemnify or contract to indemnify any person not specified in paragraph (b) or (c) of this Section who was, is or may become a party to any proceeding, by reason of the fact that he is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, or other enterprise, or as a fiduciary of an employee benefit plan to the same extent as if such person were specified as one to whom indemnification is granted in paragraph (c). The provisions of paragraphs (d) through (g) of this Section shall be applicable to any indemnification provided hereafter pursuant to this paragraph (h).

(i) The Corporation may purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Section and may also procure insurance, in such amounts as the Board of Directors may determine, on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, fiduciary, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, or other enterprise, or as a fiduciary of an employee benefit plan, against any liability asserted against or incurred by him in any such capacity or arising from his status as such, whether or not the Corporation would have power to indemnify him against such liability under the provisions of this Section.

(j) Every reference herein to Directors, officers, employees or agents shall include former Directors, officers, employees and agents and their respective heirs, executors and administrators. The indemnification hereby provided and provided hereafter pursuant to the power hereby conferred by this Section on the Board of Directors shall not be exclusive of any other rights to which any person may be entitled, including any right under policies of insurance that may be purchased and maintained by the Corporation or others, with respect to claims, issues or matters in relation to which the Corporation would not have the power to indemnify such person under the provisions of this Section. Such rights shall not prevent or restrict the power of the Corporation to make or provide for any further indemnity, or provisions for determining entitlement to indemnity, pursuant to one or more indemnification agreements, bylaws, or other arrangements (including, without limitation, creation of trust funds or security interests funded by letters of credit or other means) approved by the Board of Directors (whether or not any of the Directors of the Corporation shall be a party to or beneficiary of any such agreements, bylaws or arrangements).

(k) Each provision of this Section shall be severable, and an adverse determination as to any such provision shall in no way affect the validity of any other provision.

9. **Amendment of Articles**. The Articles of Incorporation may only be amended upon the affirmative vote of at least two-thirds (2/3) of the then actual membership of the Board of Directors, if at least ten (10) days written notice is given of the intention to take such action.

Amendment to Section 9 was adopted at the October 3, 2008, Board Meeting and filed with the SCC on February 13, 2009, and effective February 25, 2009.

Amendments to Section 5 and Section 9 were adopted at the July 29, 2010, Board Meeting and filed with the SCC on August 2, 2010, effective August 11, 2010.

Amendments to Section 9, was adopted at the November 17, 2010 Board Meeting and Amendments to Section 2 and Section 7 were adopted at the December 9, 2010, Board Meeting and filed with the SCC on December 13, 2010, effective December 21, 2010.

**The Harvest Foundation of the Piedmont**

AMENDED AND RESTATED

BYLAWS

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AMENDED AND RESTATED

BYLAWS OF

**The Harvest Foundation of the Piedmont**

## ARTICLE I

## NAME

The name of the Corporation is The **Harvest Foundation of the Piedmont**, whose central office is located at 1 Ellsworth Street, Martinsville, Virginia.

## ARTICLE II

## PURPOSE

The Corporation is a non-profit corporation organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The purposes of the Corporation are set forth in Article 2 of the Articles of Incorporation of the Corporation.

## ARTICLE III

## MEMBERSHIP

The Corporation shall have no members.

## ARTICLE IV

## BOARD OF DIRECTORS

### 4.1 Number and Qualifications

**4.1.1** The Board of Directors shall consist of not less than nine (9) nor more than eighteen (18) Directors, as determined by the Board of Directors. Qualifications for membership shall be as follows:

**4.1.2** Subject to the provisions of Section 4.1.3 below, all nominees for membership shall be at least eighteen (18) years of age. Selection of a Director shall be based on an individual's ability, with no restrictions as to race, creed, color, national origin, sex or socioeconomic status. Willingness to give as much time as is reasonably requested is required. The nominee must be willing to accept responsibility for governance, including availability to participate actively in Board and Committee activities; to provide input in areas of interest and expertise; and to utilize experience in organizational and community activities. The art of managing people, money, and property are important considerations. A member must be honest and above political influence. To the extent practicable, the Board should include a broad representation of the communities served by the Corporation and its affiliates.

4.1.3 Elected local, county and Commonwealth officials and senior local, county and Commonwealth government officers shall not be entitled to serve on the Board of Directors.

## 4.2 Governance

Unless otherwise provided herein, the Corporation shall be governed and operated by and under the authority of the Board of Directors, and the business and affairs of the Corporation shall be managed under the Board's direction. The Corporation may be the sole member of one or more nonstock corporations or the sole shareholder of one or more stock corporations. Together any such other corporations shall be referred to herein as affiliates of the Corporation. The Board shall have full power and authority to create, prescribe and approve Bylaws, rules and regulations for itself and any of its affiliates. Final authority for the establishment of all policy pertaining to the Corporation and its affiliates for operation, maintenance and development, and for the attainment of its objectives shall be vested in the Board of Directors.

## 4.3 Election of Directors and Officers

At its annual meeting, the Board shall elect persons to fill the vacancies in its membership created by expiring terms or vacated Director's positions. Any election or reelection of any Director or officer shall require the affirmative vote of at least two thirds (2/3) of the then actual membership of the Board of Directors. Except as may be provided in the Corporation's Articles of Incorporation, each elected Director shall hold office for a term of three (3) years and until his successor is elected and qualified and shall be eligible to serve up to two (2) more three (3) year terms if re-elected. Such terms of office shall be staggered by class in accordance with the Articles of Incorporation. After serving three (3) consecutive, full terms, a Director shall not be eligible for re-election until he or she has been off the Board of Directors for one (1) year.

4.3.1 At the scheduled Board meeting that is held two months prior to the annual meeting, the Chairman shall ask the Governance Committee, to present nominees for officers and Directors at the annual meeting. The Chairman shall send to each existing Board member whose term is to expire, but who is not precluded from serving another successive term under the Articles of Incorporation, a letter no later than two (2) months before the Annual Meeting specifically requesting each Board member to advise the Chairman in writing whether he desires to serve an additional term. If no reply is received to the letter sent by certified mail, the Chairman of the Corporation shall contact the Board member and request his response. If the Chairman's term on the Board is expiring, he shall advise the Vice Chairman of his intentions regarding reappointment on the Board, assuming such individual is eligible for an additional term.

Each Board member whose term is expiring shall respond to the Chairman before the date of the initial meeting of the Governance Committee. The Chairman shall report these responses to the Governance Committee at its initial meeting. A failure to respond by any Board member shall indicate a desire to retire from the Board.

At least ten (10) days prior to the annual meeting, the Governance Committee shall provide in writing to each member of the Board a proposed list of Directors and officers and a list of nominees. Nominations for officers and Directors also may be made from the floor at the annual meeting. Directors and officers shall be elected in accordance with the provisions of the Articles of Incorporation, including the term limits set forth therein.

4.3.2 Officers and Directors elected in accordance with Section 4.3.1 will begin elected terms effective the date of the annual meeting, unless otherwise specified by the Board of Directors.

### 4.4 Termination of Directors

Any Director may resign at any time by giving written notice to the Chairman or to the Secretary of the Corporation. Such resignation, which may or may not be made contingent upon formal acceptance by the Board, shall take effect on the date of receipt or at any later time specified in it. Any Director may be suspended for a period of time specified by the Board or removed permanently, with or without cause, at any time by a two-thirds (2/3) affirmative vote of the then actual membership of the Board at a meeting of the Board called for the purpose of suspending or removing the Director. Notice of such meeting must state that the purpose, or one of the purposes, of the meeting is the suspension or removal of the Director.

### 4.5 Vacancies

Vacancies in elected directorships due to death, resignation, suspension or removal, or an increase in the authorized number of Directors may be filled by the affirmative vote of a two-thirds (2/3) majority of the remaining number of Directors, even if such number constitute fewer than a quorum. In the event a vacancy occurs on the Board, or in any office, the Chairman or Acting Chairman, will ask the Governance Committee to select and recommend a candidate for replacement. This candidate is to be presented to the next regular meeting of the Board of Directors; such nomination to stand for a minimum of thirty (30) days, before election takes place. Any Director so elected shall hold office for the unexpired portion of the term of the vacated Director. For the purpose of determining term limits, if the remaining period exceeds one and one-half years, it shall be considered a full term.

### 4.6 Compensation of Members

Board members and members of all committees shall receive no compensation for any services rendered in their capacities as Directors or committee members. However, nothing herein contained shall be construed to preclude any Director or committee member from receiving compensation for other services actually rendered or reimbursement for out of pocket expenses incurred and appropriately documented in serving the Corporation as a Director or in any capacity.

## 4.7 Meeting of Directors

### 4.7.1 Annual Meetings of the Board:

The annual meeting of the Board shall be held in the month of December, unless otherwise designated by the Chairman. The purpose of the annual meeting is to elect officers and Directors and to transact such other business as may properly come before the meeting. Directors shall be given written notice ten (10) days prior to the annual meeting. Such notice may be mailed or given electronically by facsimile or email.

### 4.7.2 Regular Meetings of the Board:

Regular scheduled meetings of the Board will be set by the Chairman at the beginning of each year to be held in the offices of the Corporation or such other convenient location as may be designated by the Chairman, provided, however, that the Chairman or the Board by a majority of voting members present may cancel or postpone a scheduled meeting with notice as required in Section 4.7.4(a).

### 4.7.3 Special Meetings of the Board:

Special meetings of the Board shall be held at the offices of the Corporation or such other convenient location as may be designated by the Chairman and may be called at any time by the Chairman, by the Executive Committee, or by not less than one-third of the Directors. The business to be transacted at any special meeting of the Board shall be limited to those items of business set forth in the notice of the meeting.

### 4.7.4 Place, Notice and Procedure of Board Meetings:

#### a. Notification of Change in Regular and Annual Meeting:

Directors shall be given written notice of changes in the Board of Directors' regular or annual meeting date, location or time. Such notice is to be given no less than ten (10) days prior to the meeting and shall set forth the time and place of any rescheduled meeting. Such notice may be mailed or given electronically by facsimile or email.

#### b. Special Meetings:

Directors shall be given notice of each special meeting of the Board, and such notice shall set forth the time and place of the meeting and notice of the matters of business to be transacted. Notice of each special meeting shall be mailed to each Director's residence or usual place of business at least five (5) days before the date of the meeting or delivered in person or by facsimile or e-mail at least two (2) days before the date of the meeting. Business to be transacted at any special meeting of the Board shall be limited to the matters set forth in the notice of the meeting.

c. **Waiver of Notice:**

Notice of any meeting of the Board may be waived by a Director before or after the date and time stated in the notice, and such waiver shall be equivalent to the giving of such notice. Such waiver shall be in writing, signed by the Director entitled to the notice, and filed with or entered upon the records of the meeting. The attendance of any Director at any meeting without protesting prior to or at the commencement of the meeting shall be deemed to be a waiver by him of proper notice of the meeting.

d. **Procedure for Regular Meetings:**

Regular meetings of the Board shall be conducted by utilizing the following procedure for the agenda: call to order, consent agenda (approval of minutes, committee reports, administrative reports), old business, new business, other, executive session (if warranted), and adjournment.

**4.7.5 Quorum:**

A majority of the Directors shall constitute a quorum for the transaction of business. In addition to those Directors who are physically present at a meeting, Directors shall for purposes of these Bylaws be deemed present at such meeting if a telephone or similar communications device by means of which all persons participating in the meeting can hear each other at the same time is used. The act of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the act of the Board. After a quorum has been established at a meeting, the subsequent withdrawal of Directors from the meeting so as to reduce the number of Directors present to fewer than the number required for a quorum shall not affect the validity of any act taken by the Board at the meeting or any continuation thereof, as long as one-third (1/3) of the fixed number of Directors remain present. A majority of the Directors present, whether or not a quorum exists, may adjourn any meeting of the Board to another time and place. At such adjourned meeting, a quorum shall be established.

**4.7.6 Attendance:**

Directors are expected to attend all full Board meetings and the Director's assigned committee and assigned program committee meetings. Annually, the Executive Committee shall review the attendance records of all members for the prior year. Extenuating circumstances are to be considered. At the direction of the Executive Committee, the Chairman shall counsel each member whose absences exceed twenty-five percent (25%) of all full Board meetings, 25% of the Director's assigned committee or 25% of the program committee meetings. If absences continue, the Chairman may either ask for resignation or recommend removal in accordance with Section 4.4, if he deems such action appropriate.

4.7.7 **Minutes, Attendance, Continuing Education and Orientation:**

A written record of all Board and Board Committee proceedings, attendance and actions shall be maintained by the Secretary or his designee. Board Committee minutes, recommendations, and actions will be presented at the next meeting of the Board or Executive Committee for review and appropriate action. A written record shall also be maintained of Board orientation, evaluation and continuing education.

4.7.8 **Board and Board Committee Action Without a Meeting:**

Any action that may be taken at a meeting of the Board or any committee thereof may be taken without a meeting if the action is taken by all members of the Board or committee and such action is evidenced by one or more written consents stating the action taken, signed by each member either before or after the action taken, and included in the minutes of the Board or committee.

4.8 **Tax Exemption Status:**

Directors shall not exercise their powers in any manner that would disqualify the Corporation from federal income tax exemption under Section 501(c)(3) of the Internal Revenue Code or disqualify any gift as a deductible charitable contribution in computing any federal income or transfer tax of the donor or the donor's estate.

4.9 **Director Orientation, Education and Evaluation:**

The Chairman shall plan and implement periodically programs designed to help Directors understand and fulfill their responsibilities and shall periodically direct the evaluation of Board and Director performance.

a. All new Directors shall participate in an orientation program.

b. A program of continuing education shall be available to all Directors.

c. The performance of the full Board and of individual Directors may be evaluated by appropriate means, such as self-assessment checklists and consultants.

4.10 **Operating Policies:**

The Board shall develop operating policies, including but not limited to policies relating to grantmaking, investment of funds and personnel matters covering executive leadership and staffing. The policies developed by the Board shall govern the actions of the Corporation with respect to the matters addressed therein.

## ARTICLE V

## OFFICERS

The officers of the Corporation shall be: Chairman, Vice Chairman, Secretary and Treasurer, and such other executive officers and subordinate officers as may be determined necessary and appropriate by the Board of Directors. The Chairman, Vice Chairman, Secretary and Treasurer must be Directors of the Corporation. Officers shall be elected annually by the Board of Directors in accordance with the provisions of Section 4.3.1 for a term of one (1) year, but are subject to removal with or without cause by two-thirds (2/3) affirmative vote of the then actual membership of the Board of Directors provided, however, that the officer whose removal is sought shall have been given thirty (30) days notice in writing of the proceeding to remove and the reasons therefor. In the event any of the above offices are vacated, including that of Chairman, an election will be held at the next Board meeting to fill such vacancy. Officers may delegate clerical work incident to their duties to the administrative staff.

### 5.1 Duties of Officers

#### 5.1.1 Chairman:

The Chairman shall be the principal Corporate Officer of the Corporation. He shall be a member of the Board of Directors and serve as Chairman of the Board of Directors and Chairman of the Executive Committee. He shall preside at all meetings of the Board and Executive Committee. For definition purposes, the principal Corporate Officer shall be referred to as, "Chairman." He shall appoint annually all committees, both standing and ad hoc, of the Board and their Chairman, subject to the approval of the Board. He shall make every effort to motivate Board Committees to accept and complete their assigned responsibilities. He shall perform all such other duties as are incident to this office or are properly assigned to him by the Board of Directors, and shall make any and all recommendations to the Board that he may deem necessary. The Chairman shall be a member of the Executive Committee and an ex officio member of all other committees. The office of Chairman and the office of Treasurer shall not be held by the same individual.

#### 5.1.2 Vice Chairman:

The Vice Chairman shall perform such duties as may be assigned to him by the Board or the Chairman. In the absence of the Chairman, or in the event of his disability or inability to act, the Vice Chairman shall perform the duties of the Chairman with the full powers of, and subject to the restrictions upon, the Chairman.

**5.1.3 Secretary:**

The Secretary shall provide for the keeping of minutes of all meetings of the Board and Board Committees. He shall give or cause to be given appropriate notices in accordance with these Bylaws or as required by law, and shall act as custodian of all corporate records and reports and of the Corporate Seal, assuring that it is affixed, when required by law, to documents executed on behalf of the Corporation. He shall perform such other duties as may be prescribed by the Board of Directors and as are incident to the office of Secretary of a corporation under the laws of the Commonwealth of Virginia.

**5.1.4 Treasurer:**

It shall be the responsibility of the Treasurer to see that proper and accurate accounts are kept of all properties and financial transactions of the Corporation and to insure that such accounts, assets and liabilities are audited annually by an outside independent certified public accountant and reviewed by any corporate committees according to these Bylaws.

The Treasurer shall determine that the officers or employees of the Corporation who handle or have access to the funds of the Corporation are bonded in amounts deemed appropriate by industry standards. The Treasurer shall determine that all officers and Directors of the Corporation are properly indemnified against liability or losses as a result of their service on the Board in an amount deemed appropriate by industry standards and approved by the Board.

The Treasurer shall serve as Chairman of the Audit Committee and, in addition, shall perform all acts incident to the Office of the Treasurer of a corporation operating under the laws of the Commonwealth of Virginia.

**5.1.5 Assistant Secretary and/or Assistant Treasurer:**

If provided for by the Board, the Assistant Secretary and the Assistant Treasurer shall, in the absence or disability of the Secretary or Treasurer, respectively, have the duties and powers of the Secretary or Treasurer and shall have such other duties and powers as the Board may from time to time prescribe.

## ARTICLE VI

## BOARD COMMITTEES

### 6.1 Standing or Ad Hoc

The Board shall maintain an Executive Committee, Audit Committee, Governance Committee and Program Committees. The Chairman shall appoint and authorize any additional standing or ad hoc committees as he deems necessary, consistent with these Bylaws and subject to the approval of the Board. Additionally, the Board shall maintain Program Committees related to primary categories within which grants are made. The committee members, whether they be Directors or not, shall serve at the pleasure of the Chairman with the approval of the Board of Directors.

### 6.1.1 Executive Committee:

#### a. Number and General Provisions

The Executive Committee shall be composed of Chairman, Vice Chairman, Treasurer, and Secretary. Members of the Executive Committee shall be appointed by the Chairman.

#### b. Duties and Responsibilities

No action shall be taken by the Executive Committee that conflicts with the policies and expressed wishes of the Board of Directors.

All activities of the Executive Committee will be reported to the Board of Directors at the next regular meeting.

The Executive Committee shall be empowered to act with the same and total authority as the Board of Directors on matters of a very urgent nature requiring immediate action. All actions taken under this provision shall be promptly reported in writing to the Board, which may be transmitted electronically or by such other means as the Executive Committee may deem appropriate.

Meetings of the Executive Committee may be called by, or at the direction of, the Chairman or any other two (2) members of the Committee. A majority of the members of the Executive Committee shall constitute a quorum for transaction of business at any meeting of the Committee. The Committee shall keep minutes of its proceedings and report to the Board at all regular meetings of the Board.

### 6.1.2 Audit Committee:

**a. Number and General Provisions**

The Audit Committee shall be composed of three (3) or more members who are Directors of the Corporation and all of whom shall have requisite working familiarity with basic finance and accounting practices. Members of the Audit Committee shall be appointed by the Chairman and shall include the Treasurer (as referred to in Section 5.1.4).

**b. Duties and Responsibilities**

The primary responsibilities of the Audit Committee shall consist of: recommending the selection of independent accountants and auditors; reviewing the scope of the accountant's audit and approval of any non-audit services to be performed by the independent accountants; and reviewing annual audits and accounting practices.

### 6.1.3 Governance Committee

**a. Number and General Provisions**

The Governance Committee shall be composed of four (4) or more members who are Directors of the Corporation. The committee members shall be appointed annually by the Chairman with the approval of the Board of Directors.

**b. Duties and Responsibilities**

The Governance Committee shall develop Board policy relating to governance and conflicts of interest, and insure appropriate Board development, orientation and continuing education. It will develop and implement an evaluation process for overall Foundation effectiveness and make recommendations to the Board for consideration and action. It will review Bylaws periodically, but no less often than every two (2) years, and make recommendations to the Board for revision.

The Committee will oversee the Director selection process, monitor and recommend criteria for Director selection and foster Director development.

The Governance Committee shall also present nominees for officers, consistent with the provisions in Bylaw 4.3.1, at the annual meeting.

The Committee will solicit, nominate, and review recommendations for nominees to the Board to fill such positions as may be or become vacant. It may also perform such other duties as may be assigned from time to time by the Board and/or Chairman.

### 6.1.4 Program Committees

a. <u>Number and General Provisions</u>

The Program Committees shall be composed of three (3) or more members who are Directors of the Corporation. The committee members shall be appointed annually by the Chairman with the approval of the Board of Directors.

b. <u>Duties and Responsibilities</u>

The Board shall maintain Program Committees related to the primary categories within which grants are made.

The Program Committees shall monitor strategic plan implementation, make recommendations to enhance and improve the relevance of the strategic plan, and act as a sounding board for program staff.

### 6.2 <u>Meeting, Notice and Quorum</u>

Meetings of any committee may be called by the Chairman of the Board, the Chairman of the committee or a majority of the committee's voting members. Each committee shall meet as often as is necessary to perform its duties except where frequency of meetings is specified in these Bylaws. Notice may be given at any time and in any manner reasonably designed to inform the members of the time and place of the meeting. A majority of the voting members of any committee shall constitute a quorum for the transaction of business at any meeting of such committee. Each committee shall keep minutes of its proceedings and report periodically to the Board.

### 6.3 <u>Additional Consultants</u>

The Chairman and President may invite, on an ad hoc basis, additional individuals with special expertise in pertinent areas to meet with and assist any committee. Such consultants shall not be counted in determining the existence of a quorum nor be allowed to vote. The Board may form one or more Advisory Committees and appoint to those committees anyone who the Board feels because of their expertise could help the Board in its activities.

### 6.4 <u>Resignations and Removals</u>

Any member of a committee may resign at any time by giving written notice to the Chairman or to the Secretary of the Corporation. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified in it. The Chairman may, with prior approval of the Board, remove any member of a committee.

**6.5 Vacancies**

A vacancy in any committee may be filled for the unexpired portion of the term in the same manner in which original appointment to such committee is made.

**6.6 Combination of Committee Functions**

The Board may assign the functions of any special and/or standing committee, except the Executive Committee, to a combined or new committee or to the Board acting as a committee of the whole.

## ARTICLE VII

## CONFLICTS OF INTEREST

**7.1 General Policy**

Directors, officers, staff members and advisory members of the Corporation committees, task forces and similar groups (collectively, "Affiliated Individuals") are expected to act at all times in the best interest of the Corporation, and to avoid scrupulously both the fact and the appearance of a conflict of interest between the Corporation and other organizations or activities with which the Affiliated Individual may be associated or involved.

**7.2 Disclosure**

**7.2.1** Annually, or more often as circumstances warrant, each Affiliated Individual shall provide to the Chairman a written statement regarding Conflict of Interest, the form and content of which to be determined from time to time by the Board.

**7.2.2** Whenever any matter arises in the course of Board or committee meetings or otherwise where Corporation affairs are being considered, which represents a conflict or a potential conflict of interest for an Affiliated Individual, that person will immediately declare the conflict or potential conflict, and thereafter act in accordance with this policy with respect to discussion and/or voting relative to said matter.

**7.3 Abstention/Removal**

Affiliated Individuals shall abstain from voting or the exercise of personal influence on any matter which represents a conflict or a potential conflict of interest for such Individuals. Minutes of meetings shall note specifically the abstention of such Individuals due to a conflict or potential conflict of interest, and the participant is limited to general discussion, the provision of information, and/or responses to questions. Any transaction with the exception of grants will require the majority of disinterested directors which will constitute less than a quorum. In the event any matter which represents a conflict or a potential conflict of interest for an Affiliated Individual materially jeopardizes such Individual's ability to perform duties to the Corporation, the Board may direct such Individual to remove the cause of the conflict or be removed from the Board.

### 7.4 Gifts and Favors

Affiliated Individuals shall not accept gifts or favors from any firm or individual which does or seeks to do business with, or is a competitor, grant recipient or potential grant recipient of the Corporation, under circumstances which imply reasonably that such action is intended to influence the Affiliated Individual(s) in the performance of his duties. The foregoing does not apply to the acceptance of items of nominal value (i.e. $50.00), under circumstances or for reasons clearly unrelated to any particular transactions or activity of the Corporation.

### 7.5 Staff Services to Other Organizations

Staff service (a) as a volunteer officer, director, consultant and/or advisor to other charitable, civic, or service organizations, governmental or quasigovernmental units, or other entities, or (b) in such capacities for compensation (other than reimbursement of actual and reasonable out-of-pocket expenses) is permitted; provided however, that such service is reported in advance to the Chairman, that the performance of such service is not in conflict with the ability of the individual to properly discharge his responsibilities to the Corporation, that such service is closely monitored to avoid conflict or potential conflict of interest, and that any conflict or potential conflict of interest arising is promptly resolved in favor of the Corporation. Compensation, such as fees or honoraria, provided to staff for activities undertaken in the name of the Corporation or as part of the staff member's official duties and responsibilities will be promptly forwarded to the Corporation.

## ARTICLE VIII

## DONORS' GIFTS AND DIRECTIONS

### 8.1 Donors' Gifts

Donors may make gifts to or for the use of the Corporation by naming or otherwise identifying the Corporation. By doing so, each donor accepts and agrees to all terms of the Corporation's Articles of Incorporation and these Bylaws and provides that the fund so created shall be subject to the provisions for presumption of donors' intent, for variance from donors' directions and for amendment and termination, and to all other terms of the Corporation's Articles of Incorporation and these Bylaws as amended from time to time.

### 8.2 Restrictions

Any donor may give directions at the time of the gift as to (i) the field of charitable purposes or particular charitable organizations or purposes to be supported, (ii) the manner of distribution, including amounts, times, conditions, and characterizations of payments, (iii) geographical limits or uses of the gift, including use in or for areas outside the communities served by the Corporation, (iv) a name as a memorial or otherwise for a fund given or addition to a fund previously held, or anonymity for the gift, and (v) reasonable limits on, or additions to, investment or administrative powers of the Corporation as to that gift. All such directions shall be followed except as provided in this Article VIII.

**8.3 Separate Investment**

No gift need be separately invested or held unless the donor so directs or unless separate investment or holding is necessary (i) to follow any other direction by the donor as to purpose, investment or administration, (ii) to prevent tax disqualification or (iii) to satisfy other legal requirements. Directions for naming a fund as a memorial or otherwise may be satisfied by keeping under that name accounts that reflect the interest of the fund in each common investment.

**8.4 Trust Gifts**

If a gift is made to a trustee in trust to make periodic payments to any individuals or for non-charitable purposes, followed by payments to or for the use of the Corporation, or vice versa, only the payments to or for the use of the Corporation shall be treated as Corporation funds subject to the Corporation's Articles of Incorporation and these Bylaws and only when the Corporation becomes entitled to use them. The Corporation may take any actions that it deems necessary from time to time to protect its rights to receive such payments. To the extent that the Corporation is administering such gifts, however, it may commingle the gift funds with its other funds for investment purposes so long as it keeps separate records for each gift so that it can allocate investment income among the various accounts.

**8.5 Donors' Presumed Intent**

Donors shall be presumed to intend that their gifts to the Corporation (i) be used only in accordance with the terms of the gift instrument, if any, and the provisions of the Corporation's Articles of Incorporation and these Bylaws, (ii) produce alone (in the case of a restricted fund) or in the aggregate (in the case of unrestricted funds) a reasonable return of net income or appreciation with due regard to safety of principal in furtherance of the Corporation's exempt purposes (unless the assets are held directly for the active conduct of the Corporation's exempt activities) and (iii) be used only for the Corporation's charitable purposes in a manner that will not disqualify any gift as a deductible charitable contribution in computing any federal income or transfer tax of the donor or the donor's estate and will not render the Corporation ineligible for federal income tax exemption under Section 501(c)(3) of the Code; and no gift shall be applied otherwise. If a donor's direction would, if followed, violate that presumed intent or if counsel advises the Board that there is a substantial risk of such a violation, the Board shall not follow the direction but instead shall vary it so far as necessary to avoid a violation. If the donor has made compliance with the direction an express condition of the gift, the Board shall not accept the gift unless an appropriate judicial or administrative body first determines that the condition and direction need not be followed. Reasonable legal fees and expenses for such advice and proceedings shall be proper expenses of administering that gift.

**8.6 Changed Conditions or Circumstances**

Whenever the Board decides, by affirmative vote of a majority of the Directors in office, that literal compliance with a donor's direction as to purpose or as to manner of distribution or use is unnecessary, impractical or impossible because of changed conditions or circumstances or that the direction is inconsistent with the Corporation's primary purpose of serving the charitable needs of the communities served by the Corporation effectively, it may vary from the direction and apply all or part of the principal or income of the fund to other charitable purposes that it determines, in its absolute discretion, will serve those needs more effectively. Whenever the Board determines, by majority vote, that changed circumstances or conditions have rendered, or experience has proved, a donor's direction as to investment or administration to be impractical or unreasonably onerous and to impede serving those charitable needs effectively, the Board may vary from that direction to the extent it deems necessary.

## ARTICLE IX

## GENERAL PROVISIONS

**9.1 Audits and Financial Reports**

An independent auditor appointed or approved by the Board shall at such time as the Board may determine but at least annually, prepare for the Corporation as a whole a consolidated financial statement, including a statement of combined capital assets and liabilities, and a statement of income, expenses, and distributions, and a list of projects and/or organizations to or for which funds were distributed or used for charitable purposes, and such other additional reports or information as may be ordered from time to time by the Board. The auditor shall also prepare such financial data as may be necessary for returns or reports that any state or federal government requires the Corporation to file. The auditor's charges and expenses shall be proper expenses of administration.

**9.2 Auxiliary and Association Organizations**

The Board may authorize the formation of auxiliary and associate organizations to assist in the fulfillment of the purposes of the Corporation and any of its affiliates. Each such organization shall establish its Bylaws, rules and regulations and make amendments thereto which shall be subject to Board approval and which shall not be inconsistent with these Bylaws or the standing rules of the Board. Volunteers, who are not members of the organized auxiliary, shall be governed by the Administrative Policy/Procedure Manual of the corporation or any of its affiliates.

**9.3 Fiscal Year**

The fiscal year of the Corporation shall begin on the 1st day of January of each year and end on the last day of December of each year.

**9.4 Corporate Seal**

The seal of the Corporation shall be circular in form and shall have inscribed on its face the words, "Corporate Seal" and the Corporate name.

**9.5 Waiver of Notice**

Whenever any notice is required to be given under the provisions of the Virginia Nonstock Corporation Act, under the Articles of Incorporation, or under these Bylaws, a waiver thereof in writing signed by the person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice where such waiver is permitted by state law. All such waivers shall be filed with the corporate records, or be made a part of the minutes of the relevant meeting.

**9.6 Procedure**

The Board, Board committees, and special committees may adopt rules of procedure which shall be consistent with these Bylaws.

**9.7 Roberts Rules of Order**

Any procedure or point of order that is not outlined in these Bylaws will be guided by Roberts Rules of Order.

**9.8 Construction of Terms and Headings**

Words used in these Bylaws shall be read as the masculine or feminine gender and as the singular or plural, as the context requires. The captions or headings in these Bylaws are for convenience only and are not intended to limit or define the scope or effect of any provision of these Bylaws.

**9.9 Review of Bylaws**

From time to time, as necessary, but not less than biennially, the Chairman shall appoint an ad hoc Committee composed of Board members which shall review the Bylaws of the corporation. After review, the committee shall report to the Board any recommendation or changes deemed necessary or appropriate.

## ARTICLE X

## LIABILITY

### 10.1 General Liability

No officer, committee member or employee of the Corporation, or other persons shall contract or incur any debt on behalf of the Corporation, or in any way render it liable unless authorized by the Board of Directors. No officer, committee member or employee of the Corporation or other person is authorized to promise moral or financial support to any charitable or other objective without the approval of the Board of Directors provided, however, that the Chairman may negotiate or make such commitments as may be appropriate within the Corporation's budget and for which he shall be accountable to the Board.

## ARTICLE XI

## AMENDMENTS TO BYLAWS

### 11.1 Procedure

**11.1.1** These Bylaws, or those of any of the affiliates of this Corporation, may be amended or repealed and new Bylaws adopted by the affirmative vote of at least two-thirds (2/3) of the then actual membership of the Board of Directors, if at least ten (10) days written notice is given of the intention to take such action.

## SECRETARY'S CERTIFICATE

THIS IS TO CERTIFY THAT the foregoing Bylaws of the harvest foundation of the piedmont was last amended and duly adopted by the Board of Directors of said Corporation on the 17th day of November, 2010.

IN WITNESS WHEREOF, the undersigned, duly and acting Secretary of the Corporation has signed this Certificate and affixed the seal of the Corporation hereon dated this 17th day of November, 2010.

Secretary

**APPROVED: The Harvest Foundation Board of Directors – June 24, 2003**
**APPROVED: The Harvest Foundation Board of Directors – December 14, 2004**
**APPROVED: The Harvest Foundation Board of Directors – October 3, 2008**
**APPROVED: The Harvest Foundation Board of Directors – July 29, 2009**
**APPROVED: The Harvest Foundation Board of Directors – July 29, 2010**
**(Effective August 11, 2010)**
**APPROVED: The Harvest Foundation Board of Directors – November 17, 2010**