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Form 990

Return of Organization Exempt From Income Tax

2010

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

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2010 calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011

Check if applicable
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization
STATE EMPLOYEES' CREDIT UNION

Doing Business As

Number and street (or P O box if mail is not delivered to street address)
1000 WADE AVENUE

Room/suite

City or town, state or country, and ZIP + 4
RALEIGH, NC 276051157F Name and address of principal officer
JAMES C BLAINE
1000 WADE AVENUE
RALEIGH, NC 276051157H(a) Is this a group return for affiliates? Yes NoH(b) Are all affiliates included? Yes No
If "No," attach a list (see instructions)

H(c) Group exemption number ►

I Tax-exempt status 501(c)(3) 501(c) (14) ► (insert no) 4947(a)(1) or 527

J Website: ► WWW NCSECU.ORG

K Form of organization Corporation Trust Association Other ►

L Year of formation 1937

M State of legal domicile NC

Part I Summary

1 Briefly describe the organization's mission or most significant activities
AS A FINANCIAL COOPERATIVE OWNED BY OUR MEMBERS, OUR MISSION IS TO IMPROVE THE ECONOMIC LIFE AND SOCIAL CONDITION OF MEMBERS TO ENCOURAGE THRIFT, TO PROVIDE A SOURCE OF CREDIT AT A FAIR AND REASONABLE RATE OF INTEREST AND TO BROADEN THE ECONOMIC AWARENESS OF MEMBERS THROUGH PROGRAMS OF CONSUMER PROTECTION

2 Check this box ► if the organization discontinued its operations or disposed of more than 25% of its net assets

3 Number of voting members of the governing body (Part VI, line 1a)	3	11
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	11
5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	5,016
6 Total number of volunteers (estimate if necessary)	6	3,351
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	34,235,566
b Net unrelated business taxable income from Form 990-T, line 34	7b	-28,525,222

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	0	0
9 Program service revenue (Part VIII, line 2g)	815,621,998	792,315,907
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	156,936,691	235,255,316
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	6,825,113	0
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	979,383,802	1,027,571,223

	Prior Year	Current Year
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	224,039,492	249,038,249
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ►0		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	583,340,697	587,503,097
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	807,380,189	836,541,346
19 Revenue less expenses Subtract line 18 from line 12	172,003,613	191,029,877

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	21,038,409,107	23,061,232,954
21 Total liabilities (Part X, line 26)	19,540,244,330	21,404,794,165
22 Net assets or fund balances Subtract line 21 from line 20	1,498,164,777	1,656,438,789

Part II Signature Block

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

Sign Here	***** Signature of officer MICHAEL J LORD SVP - FINANCE & ACCOUNTING Type or print name and title	2012-05-01 Date
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Paid Preparer Use Only	Print/Type preparer's name MELISSA DYER CPA	Preparer's signature MELISSA DYER CPA	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name ► CLIFTONLARSONALLEN LLP				Firm's EIN ►
	Firm's address ► 9515 DEEREKO RD - SUITE 500 TIMONIUM, MD 210932184				Phone no ► (410) 453-0900

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Statement of Program Services Recipients
Check if Schedule O contains a response to any question in this Part III

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1 Briefly describe the organization's mission

AS A FINANCIAL COOPERATIVE OWNED BY OUR MEMBERS OUR MISSION IS TO IMPROVE THE ECONOMIC LIFE AND SOCIAL CONDITION OF MEMBERS, TO ENCOURAGE THRIFT, TO PROVIDE A SOURCE OF CREDIT AT A FAIR AND REASONABLE RATE OF INTEREST AND TO BROADEN THE ECONOMIC AWARENESS OF MEMBERS THROUGH PROGRAMS OF CONSUMER PROTECTION

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

Yes No

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

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

Yes No

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses \$ 836,541,346 including grants of \$) (Revenue \$ 993,335,657)

THE STATE EMPLOYEES' CREDIT UNION IS OWNED BY OUR 17 MILLION MEMBERS. SECU PROVIDES SERVICES TO OUR MEMBERS THROUGH 238 BRANCH OFFICES, OVER 1,000 ATMS, 24/7 CALL CENTERS AND A WEBSITE - WWW.NCSECU.ORG. AS A CREDIT UNION, MEMBERS DEPOSIT FUNDS INTO SHARE ACCOUNTS WHICH ARE THEN LOANED TO OTHER MEMBERS. THE CREDIT UNION OFFERS SHARE ACCOUNTS OF VARIOUS TYPES: MEMBERSHIP SHARES, SHARE DRAFTS, MONEY MARKET SHARES, IRA SHARES AND SHARE TERM CERTIFICATES. LOANS TO MEMBERS CONSIST OF MORTGAGE, HOME EQUITY, AUTO AND OTHER CONSUMER LOANS. AT JUNE 30, 2011, THERE WERE 454,000 PERSONAL LOANS AND 129,000 FIRST AND SECOND MORTGAGE LOANS OUTSTANDING. THE CREDIT UNION RECEIVED \$1,031,994,084 IN REVENUES FROM INTEREST ON LOANS, INTEREST ON INVESTMENTS AND OTHER NON-INTEREST SOURCES DURING THE YEAR ENDING JUNE 30, 2011. THE COST OF PROVIDING SERVICES TO CREDIT UNION MEMBERS WAS \$840,964,206 FOR THE YEAR. THE COST OF SERVICES CONSISTS OF INTEREST PAID ON SHARE ACCOUNTS, SALARIES, BUILDING EXPENSES, EQUIPMENT EXPENSES AND OTHER OPERATIONAL EXPENSES.

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

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

4d Other program services. (Describe in Schedule O.)

4e Total program service expenses **-\$** 836,541,346

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI

b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII

c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII

d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX

e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X

f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII

b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U.S.? If "Yes," complete Schedule F, Parts II and IV

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U.S.? If "Yes," complete Schedule F, Parts III and IV

17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H

b If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)

	Yes	No
1		No
2		No
3		No
4		
5		
6		No
7		No
8		No
9	Yes	
10		No
11a	Yes	
11b		No
11c		No
11d		No
11e	Yes	
11f		No
12a		No
12b	Yes	
13		No
14a		No
14b		No
15		No
16		No
17		No
18		No
19		No
20a		No
20b		

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b-24d and complete Schedule K. If "No," go to line 25	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)	28a		No
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	29		No
30	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30		No
31	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	31		No
32	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	32		No
33	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	33		No
34	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	34	Yes	
35	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	35	Yes	
a	Is any related organization a controlled entity within the meaning of section 512(b)(13)?			
	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		✓ Yes	❑ No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 999,999	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a 5,016	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b Yes	
<p>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</p>			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a No	
b	If "Yes," enter the name of the foreign country	See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts	
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a No	
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b No	
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c No	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a No	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b No	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a No	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b No	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c No	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d No	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e No	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f No	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g No	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h No	
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8 No	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a No	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b No	
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a No	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b No	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders	11a No	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b No	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a No	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b No	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state?	13a No	
<p>Note. See the instructions for additional information the organization must report on Schedule O</p>			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b No	
c	Enter the amount of reserves on hand	13c No	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a No	
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b No	

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

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

1a Enter the number of voting members of the governing body at the end of the tax year

1a	11
1b	11

b Enter the number of voting members included in line 1a, above, who are independent

2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?

3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?

4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?

5 Did the organization become aware during the year of a significant diversion of the organization's assets?

6 Does the organization have members or stockholders?

7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?

b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?

8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following

a The governing body?

b Each committee with authority to act on behalf of the governing body?

9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O

	Yes	No
1a		
1b		
2	Yes	
3		No
4		No
5		No
6	Yes	
7a	Yes	
7b	Yes	
8a	Yes	
8b	Yes	
9		No

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

10a Does the organization have local chapters, branches, or affiliates?

b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?

11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?

b Describe in Schedule O the process, if any, used by the organization to review this Form 990

12a Does the organization have a written conflict of interest policy? If "No," go to line 13

b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?

c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done

13 Does the organization have a written whistleblower policy?

14 Does the organization have a written document retention and destruction policy?

15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?

a The organization's CEO, Executive Director, or top management official

b Other officers or key employees of the organization

If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)

16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?

b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

	Yes	No
10a	Yes	
10b	Yes	
11a		No
12a	Yes	
12b	Yes	
12c	Yes	
13	Yes	
14	Yes	
15a	Yes	
15b	Yes	
16a		No
16b		

Section C. Disclosure

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

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply

Own website Another's website Upon request

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ►

THE ORGANIZATION
1000 WADE AVENUE
RALEIGH, NC 276051157
(919) 839-5084

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

 Check if Schedule O contains a response to any question in this Part VII
Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

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

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

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

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

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Or director	Individual trustee	Institutional Trustee	Officer	Key employee	Highest compensated employee		
(1) JIM BARBER DIRECTOR	5 00	X						0	0
(2) MCKINLEY WOOTEN CHAIRMAN	5 00	X		X				0	0
(3) JIM JOHNSON VICE-CHAIRMAN	5 00	X		X				0	0
(4) KARAN BUNN DIRECTOR	5 00	X						0	0
(5) TOM KING DIRECTOR	5 00	X						0	0
(6) DAVID KING DIRECTOR	5 00	X						0	0
(7) BOB PARKER DIRECTOR	5 00	X						0	0
(8) CYNTHIA JOLLY SECRETARY/TREASURER	5 00	X		X				0	0
(9) JOANNE SANFORD DIRECTOR	5 00	X						0	0
(10) BOB BRINSON DIRECTOR	5 00	X						0	0
(11) SHIRLEY BELL DIRECTOR	5 00	X						0	0
(12) JAMES C BLAINE PRESIDENT	40 00			X				717,549	0
(13) ROBERT S HALL SR EXECUTIVE VP	40 00			X				1,061,508	0
(14) MICHAEL J LORD SR VP - FINANCE AND ACCT	40 00			X				223,215	0
(15) SUE A DOUGLAS SR VP	40 00				X			185,236	0
(16) MARK TWISDALE SR VP/HR	40 00				X			215,581	0
									35,037

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key Employee	Highest Compensated Employee			
(17) CHRIS AYER SR VP/INFORMATION SERVICES	40 00			X			185,185	0	32,439
(18) PHIL GREER SR VP/LOAN ADMINISTRATION	40 00			X			195,496	0	22,218
(19) RANDY PARTIN SR VP/AUDIT SERVICES	40 00			X			195,842	0	29,645
(20) WALLACE W UMPHLETT SR VP/FINANCIAL SERVICES	40 00				X		202,405	0	28,755
(21) THOMAS K MARION SR VP/DISTRICT	40 00				X		176,177	0	20,875
(22) EDWARD T HOFFMAN JR SR VP/DISTRICT	40 00				X		177,741	0	22,498
(23) FRANK EMERY SR VP/DISTRICT	40 00				X		168,491	0	27,969
(24) JOSEPH M BANKS SR VP/DISTRICT	40 00				X		170,132	0	24,858
1b Sub-Total									
c Total from continuation sheets to Part VII, Section A									
d Total (add lines 1b and 1c)							3,874,558	0	359,735

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **►87**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
CLANCY & THEYS CONSTRUCTION CO PO BOX 27608 RALEIGH, NC 27603	CONSTRUCTION	3,129,003
JOHN S CLARK COMPANY LLC 4140 N CHERRY STREET WINSTONSALEM, NC 27105	CONSTRUCTION	1,070,689
NODELL GLASS & HASKELL LLP 5540 CENTERVIEW DRIVE STE 416 RALEIGH, NC 27606	ATTORNEY	880,853
LET CORP DBA COMMERCIAL BUILDING SVC 1117 FULLER STREET RALEIGH, NC 27603	BUILDING MAINTENANCE	592,864
PNC BANK PO BOX 931034 CLEVELAND, OH 44193	EQUIPMENT RENTAL	553,890
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ►31		

Part VIII Statement of Revenue

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, grants and other similar amounts	1a Federated campaigns						
	b Membership dues						
	c Fundraising events						
	d Related organizations						
	e Government grants (contributions)						
	f All other contributions, gifts, grants, and similar amounts not included above						
	g Noncash contributions included in lines 1a-1f \$						
h Total. Add lines 1a-1f							
Program Service Revenue	2a INTEREST ON LOANS - RE	Business Code					
		522100	460,106,293	460,106,293			
	b INTEREST ON PERSONAL L	522100	162,369,242	162,369,242			
	c INTERCHANGE FEES	522100	104,322,460	104,322,460			
	d NON-MEMBER FEES	541200	34,235,566	34,235,566			
	e DEMAND DEPOSIT PROCESS	522100	14,104,750	14,104,750			
	f All other program service revenue		17,177,596	17,177,596			
g Total. Add lines 2a-2f		792,315,907					
Other Revenue	3 Investment income (including dividends, interest and other similar amounts)						
			94,180,719	94,180,719			
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6a Gross Rents	(i) Real	(ii) Personal				
	b Less rental expenses						
	c Rental income or (loss)						
d Net rental income or (loss)							
7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other					
	9,355,999,482	35,685,601					
b Less cost or other basis and sales expenses	9,216,702,024	33,908,462					
c Gain or (loss)	139,297,458	1,777,139					
d Net gain or (loss)			141,074,597	141,074,597			
8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18							
b Less direct expenses							
c Net income or (loss) from fundraising events							
9a Gross income from gaming activities See Part IV, line 19	a						
b Less direct expenses	b						
c Net income or (loss) from gaming activities							
10a Gross sales of inventory, less returns and allowances							
b Less cost of goods sold							
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue	Business Code						
11a							
b							
c							
d All other revenue							
e Total. Add lines 11a-11d							
12 Total revenue. See Instructions		1,027,571,223	993,335,657	34,235,566	0		

Part IX Statement of Functional Expenses**Section 501(c)(3) and 501(c)(4) organizations must complete all columns.****All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	4,296,985			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	164,217,427			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	16,000,467			
9 Other employee benefits	50,575,565			
10 Payroll taxes	13,947,805			
a Fees for services (non-employees) Management				
b Legal				
c Accounting	258,450			
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other	1,877,256			
12 Advertising and promotion				
13 Office expenses	21,334,569			
14 Information technology	5,045,793			
15 Royalties				
16 Occupancy	24,049,908			
17 Travel	2,187,666			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	345,704			
20 Interest	301,139,319			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	34,688,899			
23 Insurance	227,724			
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a NCUSIF INSURANCE EXPENS	72,972,555			
b PROVISION FOR LOAN LOSS	48,800,000			
c EQUIPMENT REPAIR AND MA	27,317,681			
d CARD PROCESSING FEES	23,344,494			
e SECURITY SERVICES	7,448,529			
f All other expenses	16,464,550			
25 Total functional expenses. Add lines 1 through 24f	836,541,346			
26 Joint costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year	(B) End of year
Assets	1 Cash—non-interest-bearing	439,323,256	1 495,257,368
	2 Savings and temporary cash investments	203,011,703	2 3,174,313,059
	3 Pledges and grants receivable, net	3	
	4 Accounts receivable, net	4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L	6	
	7 Notes and loans receivable, net	13,030,276,795	7 13,419,655,833
	8 Inventories for sale or use	8	
	9 Prepaid expenses and deferred charges	7,258,090	9 13,906,783
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 771,022,161	
	b Less accumulated depreciation	10b 273,824,177	477,014,756 10c 497,197,984
	11 Investments—publicly traded securities	5,872,148,437	11 4,924,621,094
	12 Investments—other securities See Part IV, line 11	746,050,101	12 236,102,469
	13 Investments—program-related See Part IV, line 11	13	
	14 Intangible assets	14	
	15 Other assets See Part IV, line 11	263,325,969	15 300,178,364
	16 Total assets. Add lines 1 through 15 (must equal line 34)	21,038,409,107	16 23,061,232,954
Liabilities	17 Accounts payable and accrued expenses	27,632,487	17 25,362,333
	18 Grants payable	18	
	19 Deferred revenue	19	
	20 Tax-exempt bond liabilities	20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D	93,776,409	21 102,016,809
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	22	
	23 Secured mortgages and notes payable to unrelated third parties	23	
	24 Unsecured notes and loans payable to unrelated third parties	24	
	25 Other liabilities Complete Part X of Schedule D	19,418,835,434	25 21,277,415,023
	26 Total liabilities. Add lines 17 through 25	19,540,244,330	26 21,404,794,165
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets	27	
	28 Temporarily restricted net assets	28	
	29 Permanently restricted net assets	29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.		
	30 Capital stock or trust principal, or current funds	0	30 0
	31 Paid-in or capital surplus, or land, building or equipment fund	0	31 0
	32 Retained earnings, endowment, accumulated income, or other funds	1,498,164,777	32 1,656,438,789
	33 Total net assets or fund balances	1,498,164,777	33 1,656,438,789
	34 Total liabilities and net assets/fund balances	21,038,409,107	34 23,061,232,954

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI

1 Total revenue (must equal Part VIII, column (A), line 12)	1	1,027,571,223
2 Total expenses (must equal Part IX, column (A), line 25)	2	836,541,346
3 Revenue less expenses Subtract line 2 from line 1	3	191,029,877
4 Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,498,164,777
5 Other changes in net assets or fund balances (explain in Schedule O)	5	-32,755,865
6 Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	1,656,438,789

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII

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

2010

Open to Public
Inspection**SCHEDULE D**
(Form 990)**Supplemental Financial Statements**

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

Department of the Treasury
Internal Revenue Service**Name of the organization**
STATE EMPLOYEES' CREDIT UNION**Employer identification number**

56-0475645

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

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

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

Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically importantly land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

	Held at the End of the Year
2a	
2b	
2c	
2d	

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

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

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

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

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

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

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

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

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

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

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

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

a Revenues included in Form 990, Part VIII, line 1 ► \$ _____

b Assets included in Form 990, Part X ► \$ _____

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

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

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

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

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

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

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

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

	Amount
1c	
1d	
1e	
1f	

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

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

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
1b Contributions					
1c Investment earnings or losses					
1d Grants or scholarships					
1e Other expenditures for facilities and programs					
1f Administrative expenses					
1g End of year balance					

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

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

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

	Yes	No
3a(i) unrelated organizations		
3a(ii) related organizations		
3b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?		

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	142,546,419			142,546,419
1b Buildings	375,605,256		87,046,833	288,558,423
1c Leasehold improvements	9,788,789		8,790,234	998,555
1d Equipment	243,081,697		177,987,110	65,094,587
1e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ►				497,197,984

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. (Column (b) should equal Form 990, Part X, col (B) line 12.) ►		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13.) ►		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.) ►	

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of Liability	(b) Amount	
Federal Income Taxes		
MEMBER DEPOSITS	21,208,358,346	
OTHER LIABILITIES	69,056,677	
Total. (Column (b) should equal Form 990, Part X, col (B) line 25) ►	21,277,415,023	

2. FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	1,027,571,223
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	836,541,346
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	191,029,877
4	Net unrealized gains (losses) on investments	4	-32,807,540
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	51,675
9	Total adjustments (net) Add lines 4 - 8	9	-32,755,865
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	158,274,012

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

1	Total revenue, gains, and other support per audited financial statements	1	1,025,994,492
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	250,446
e	Add lines 2a through 2d	2e	250,446
3	Subtract line 2e from line 1	3	1,025,744,046
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	1,827,177
c	Add lines 4a and 4b	4c	1,827,177
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	1,027,571,223

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

1	Total expenses and losses per audited financial statements	1	834,978,127
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	263,958
e	Add lines 2a through 2d	2e	263,958
3	Subtract line 2e from line 1	3	834,714,169
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	1,827,177
c	Add lines 4a and 4b	4c	1,827,177
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	836,541,346

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
	PART IV, LINE 2B	THE CREDIT UNION MAINTAINS ESCROW ACCOUNTS ON MEMBER'S FIRST MORTGAGE LOANS AS A SERVICE TO OUR MEMBERS. INTEREST IS PAID AT A SAVINGS ACCOUNT RATE AS AN ADDITIONAL BENEFIT. THESE ACCOUNTS ARE FUNDED ON A MONTHLY BASIS BY THE MEMBERS. THE PROCEEDS ARE USED TO PAY THE PROPERTY TAXES AND INSURANCE ON THE REAL PROPERTY SECURED BY THE FIRST MORTGAGE.
PART XI, LINE 8 - OTHER ADJUSTMENTS		INVESTMENT IN SUBSIDIARY 51,675
PART XII, LINE 2D - OTHER ADJUSTMENTS		REVENUE FROM SUBSIDIARY 200,408 LOSS ON REO 50,038
PART XII, LINE 4B - OTHER ADJUSTMENTS		GAIN ON SALE OF FIXED ASSETS 1,827,177
PART XIII, LINE 2D - OTHER ADJUSTMENTS		EXPENSES FROM SUBSIDIARY 213,920 LOSS ON REO 50,038
PART XIII, LINE 4B - OTHER ADJUSTMENTS		GAIN ON SALE OF FIXED ASSETS 1,827,177

Schedule J
(Form 990)**Compensation Information**

OMB No 1545-0047

2010Department of the Treasury
Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
► Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
► Attach to Form 990. ► See separate instructions.

Open to Public Inspection**Name of the organization**
STATE EMPLOYEES' CREDIT UNION**Employer identification number**

56-0475645

Part I Questions Regarding Compensation

Yes

No

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

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

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

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

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

<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

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

a Receive a severance payment or change-of-control payment from the organization or a related organization?

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

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

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

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

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

a The organization?

b Any related organization?

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

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

a The organization?

b Any related organization?

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

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

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

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

1b		
2		
4a		No
4b	Yes	
4c		No
5a		
5b		
6a		
6b		
7		
8		
9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

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

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) JAMES C BLAINE	(i) 669,526 (ii) 0	0	48,023 0	22,050 0	9,180 0	748,779 0	0 0
(2) ROBERT S HALL	(i) 336,062 (ii) 0	0	725,446 0	22,050 0	7,162 0	1,090,720 0	0 0
(3) MICHAEL J LORD	(i) 191,816 (ii) 0	0	31,399 0	20,816 0	8,268 0	252,299 0	0 0
(4) SUE A DOUGLAS	(i) 138,455 (ii) 0	0	46,781 0	17,621 0	10,751 0	213,608 0	0 0
(5) MARK TWISDALE	(i) 179,216 (ii) 0	0	36,365 0	20,702 0	14,768 0	251,051 0	0 0
(6) CHRIS AYER	(i) 166,911 (ii) 0	0	18,274 0	18,103 0	16,028 0	219,316 0	0 0
(7) PHIL GREER	(i) 173,316 (ii) 0	0	22,180 0	17,970 0	4,500 0	217,966 0	0 0
(8) RANDY PARTIN	(i) 165,507 (ii) 0	0	30,335 0	18,629 0	11,346 0	225,817 0	0 0
(9) WALLACE W UMPHLETT	(i) 172,020 (ii) 0	0	30,385 0	19,089 0	10,032 0	231,526 0	0 0
(10) THOMAS K MARION	(i) 131,790 (ii) 0	0	44,387 0	16,291 0	4,838 0	197,306 0	0 0
(11) EDWARD T HOFFMAN JR	(i) 131,854 (ii) 0	0	45,887 0	16,570 0	6,564 0	200,875 0	0 0
(12) FRANK EMERY	(i) 129,904 (ii) 0	0	38,587 0	16,233 0	12,069 0	196,793 0	0 0
(13) JOSEPH M BANKS	(i) 134,786 (ii) 0	0	35,346 0	16,122 0	9,069 0	195,323 0	0 0
(14)							
(15)							
(16)							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORMATION	PART III	SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN WAS ESTABLISHED FOR ROBERT S HALL IN 2003 THE BALANCE OF \$687,086 WAS PAID OUT TO ROBERT S HALL DURING 2010 THE REMAINING BALANCE AS OF JUNE 30, 2011 FOR ROBERT S HALL - \$0

SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**

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

2010**Open to Public
Inspection****Name of the organization**
STATE EMPLOYEES' CREDIT UNION**Employer identification number**

56-0475645

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2		ROBERT S HALL, SENIOR EXECUTIVE VICE-PRESIDENT AND SUE A DOUGLAS, SENIOR VICE-PRESIDENT ARE BROTHER-IN-LAW AND SISTER-IN-LAW

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6		SECU IS A NON-PROFIT FINANCIAL COOPERATIVE OWNED BY AND OPERATED FOR THE BENEFIT OF ITS 1,680,000 MEMBERS

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		SECU MEMBER/OWNERS ELECT THE BOARD OF DIRECTORS EACH MEMBER OF THE ORGANIZATION IS ENTITLED TO ONE VOTE ELEVEN BOARD MEMBERS SERVE THREE YEAR STAGGERED TERMS ELECTIONS FOR OPEN SEATS ARE HELD EACH YEAR DURING THE ANNUAL MEMBERS' MEETING

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B		SECU MEMBERS HAVE THE RIGHT TO VOTE ON THE MERGER OF THE ORGANIZATION INTO ANOTHER FINANCIAL INSTITUTION, DISSOLUTION OF THE CREDIT UNION, CONVERSION FROM A STATE TO A FEDERALLY CHARTERED CREDIT UNION OR THE CONVERSION TO ANOTHER TYPE OF FINANCIAL INSTITUTION

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE RETURN IS COMPLETED BY THE FINANCE AND ACCOUNTING DEPARTMENT STAFF OF THE ORGANIZATION AND REVIEWED BY THE SR VP-FINANCE AND ACCOUNTING AND THE PRESIDENT BEFORE FILING A COPY OF THE 990 FORM IS MADE AVAILABLE TO THE BOARD OF DIRECTORS AFTER IT IS FILED

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	EACH EMPLOYEE OF THE ORGANIZATION MUST ACKNOWLEDGE HAVING READ THE CODE OF ETHICS ANNUALLY. THE ORGANIZATION PROVIDES A TOLL FREE ANONYMOUS HONOR LINE THROUGH AN OUTSIDE, INDEPENDENT VENDOR. EMPLOYEES ARE ENCOURAGED TO REPORT ALL VIOLATIONS OF THE ETHICS, OPERATIONS, LENDING, AND PERSONNEL POLICIES. ALL INFORMATION RECEIVED THROUGH THE HONOR LINE IS FORWARDED TO AUDIT SERVICES AND HUMAN RESOURCES DEPARTMENTS FOR REVIEW AND ACTION. DETAILS OF ALL REPORTED INCIDENTS AND RESOLUTIONS ARE SHARED WITH SENIOR MANAGEMENT AND THE BOARD OF DIRECTORS ON A MONTHLY BASIS. ALL REPORTS ARE INVESTIGATED THOROUGHLY AND RESOLVED IN A TIMELY MANNER.

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	THE BOARD OF DIRECTORS SETS THE SALARY AND BENEFITS OF THE PRESIDENT A FORMAL ANNUAL REVIEW OF THE PERFORMANCE OF THE PRESIDENT IS CONDUCTED BY THE BOARD OF DIRECTORS IN ADDITION, A COMPENSATION COMMITTEE, COMPRISED OF MEMBERS OF THE BOARD OF DIRECTORS, UTILIZES SURVEYS AND MARKET COMPARISONS OF PEER CREDIT UNIONS AND OTHER FINANCIAL INSTITUTIONS TO BENCHMARK THE COMPENSATION PACKAGE OF THE PRESIDENT THESE SURVEYS ARE INDEPENDENTLY OBTAINED FROM COMPENSATION CONSULTANTS CONTRACTED BY THE SECU HR DEPARTMENT THE BOARD OF DIRECTORS REVIEWS THE COMPENSATION SURVEYS, RECOMMENDATIONS OF THE COMPENSATION COMMITTEE, THE PERFORMANCE OF THE PRESIDENT AND THE CREDIT UNION AND SETS THE SALARY AND BENEFITS LEVEL OF THE PRESIDENT PERIODIC SALARY SURVEYS AND BENCHMARKING ARE LIKEWISE OBTAINED FOR ALL STAFF AND MANAGEMENT POSITIONS OF THE ORGANIZATION THERE IS NO INCENTIVE OR COMMISSION BASED COMPENSATION FOR ANY EMPLOYEE ALL EMPLOYEES RECEIVE A SALARY AND SET DOLLAR AMOUNT OF BOARD APPROVED BENEFIT DOLLARS THROUGH A CAFETERIA BENEFITS PLAN

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE GOVERNING DOCUMENTS OF THE ORGANIZATION ARE MADE AVAILABLE UPON REQUEST A SUMMARY OF THE FINANCIAL STATEMENTS IS MADE AVAILABLE MONTHLY ON THE ORGANIZATION'S WEB SITE ALONG WITH PERIODIC UPDATES ON THE FINANCIAL CONDITION OF THE ORGANIZATION THE ANNUAL REPORT TO THE MEMBERSHIP AND THE COMPLETE AUDITED FINANCIAL STATEMENTS WITH FOOTNOTES ARE AVAILABLE ON THE ORGANIZATION'S WEB SITE PAPER COPIES AVAILABLE UPON REQUEST

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -32,807,540 INVESTMENT IN SUBSIDIARY 51,675 TOTAL TO FORM 990, PART XI, LINE 5 -32,755,865

Identifier	Return Reference	Explanation
	FORM 990, PART XII, LINE 2C	THE ORGANIZATION HAS NOT CHANGED EITHER ITS OVERSIGHT PROCESS OR SELECTION PROCESS FOR ITS ANNUAL AUDIT

SCHEDULE R
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2010

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Name of the organization
STATE EMPLOYEES' CREDIT UNION

Employer identification number

56-047564

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) CREDIT UNION INVESTMENT SERVICES							
1000 WADE AVENUE	INVESTMENT ADVISOR	NC	STATE EMPLOYEES' CREDIT UNION	C	-13,373	990,838	100 000 %
RALEIGH, NC27605							
26-0627380							
(2) SECU BROKERAGE SERVICES							
1000 WADE AVENUE	BROKER/DEALER	NC	CREDIT UNION INVESTMENT SERVICES	C	-140	903,053	100 000 %
RALEIGH, NC27605							
26-2442926							

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III or IV

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity
- b Gift, grant, or capital contribution to other organization(s)
- c Gift, grant, or capital contribution from other organization(s)
- d Loans or loan guarantees to or for other organization(s)
- e Loans or loan guarantees by other organization(s)
- f Sale of assets to other organization(s)
- g Purchase of assets from other organization(s)
- h Exchange of assets
- i Lease of facilities, equipment, or other assets to other organization(s)
- j Lease of facilities, equipment, or other assets from other organization(s)
- k Performance of services or membership or fundraising solicitations for other organization(s)
- l Performance of services or membership or fundraising solicitations by other organization(s)
- m Sharing of facilities, equipment, mailing lists, or other assets
- n Sharing of paid employees
- o Reimbursement paid to other organization for expenses
- p Reimbursement paid by other organization for expenses
- q Other transfer of cash or property to other organization(s)
- r Other transfer of cash or property from other organization(s)

	Yes	No
1a		No
1b		No
1c		No
1d		No
1e		No
1f		No
1g		No
1h		No
1i		No
1j		No
1k		No
1l		No
1m	Yes	
1n	Yes	
1o	Yes	
1p		No
1q		No
1r		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)	CUIS AND SBS	N	716,717	PRORATED
(2)				
(3)				
(4)				
(5)				
(6)				

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation
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