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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2011

Open to Public
Inspection

A For the 2011 calendar year, or tax year beginning

, 2011, and ending

, 20

B Check if applicable

- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization

SOUTHERN EDUCATION FOUNDATION, INC.

Doing Business As

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

135 AUBURN AVENUE NE

Room/suite

2ND FL

City or town, state or country, and ZIP + 4

ATLANTA, GA 30303

F Name and address of principal officer

DR. CYRIL K. MCGUIRE

135 AUBURN AVENUE NE, 2ND FL ATLANTA, GA 30303

D Employer identification number

13-5562388

E Telephone number

(404) 523-0001

G Gross receipts \$ 5,711,932.

H(a) Is this a group return for affiliates? ☐ Yes ☒ NoH(b) Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list (see instructions)

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

J Website ▶ WWW.SOUTHERNEducation.ORG

H(c) Group exemption number ▶

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶ L Year of formation 1867 M State of legal domicile GA

Part I Summary

1 Briefly describe the organization's mission or most significant activities

THE SOUTHERN EDUCATION FOUNDATION PRIMARILY WORKS TO IMPROVE THE QUALITY OF LIFE FOR DISADVANTAGED RESIDENTS IN THE SOUTHERN UNITED STATES BY PROMOTING EQUITY AND EXCELLENCE IN EDUCATION.

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 2011 (Part V, line 2a)	5	15.
6 Total number of volunteers (estimate if necessary)	6	11.
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
7b Net unrelated business taxable income from Form 990-T, line 34	7b	0

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 11)	1,740,538.	2,074,069.
9 Program service revenue (Part VIII, line 20)	0	0
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	813,092.	780,988.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	42.	70.
12 Total revenue Add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,553,672.	2,855,127.
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	97,757.	58,770.
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)	1,441,811.	1,668,754.
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 150,080.		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	851,312.	1,016,854.
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	2,390,880.	2,744,378.
19 Revenue less expenses Subtract line 18 from line 12	162,792.	110,749.
	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	24,515,365.	24,114,144.
21 Total liabilities (Part X, line 26)	73,636.	86,539.
22 Net assets or fund balances Subtract line 21 from line 20	24,441,729.	24,027,605.

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
Kurt McGuire

Type or print name and title

Oct. 26, 2012
Date

Paid Preparer Use Only

Print/Type preparer's name

MARCE AZAR

Preparer's signature

Marc A. Azar

Date

OCT 22 2012

Check ☐ if self-employed

PTIN

P00746804

Firm's name ▶ SMITH & HOWARD, P.C.

Firm's EIN ▶ 58-1250486

Firm's address ▶ 171 17TH STREET, SUITE 900 ATLANTA, GA 30363

Phone no 404-874-6244

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

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions

Form 990 (2011)

JSA
1E1010 1 000

1TYRZN 9242 10/22/2012 9:27:30 AM V 11-6

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Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☒ **X****1** Briefly describe the organization's mission.

ATTACHMENT 1

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured 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 \$ 1,905,336 including grants of \$ 58,770) (Revenue \$)

THE SOUTHERN EDUCATION FOUNDATION, WWW.SOUTHERNEDUCATION.ORG, IS
 THE SOUTH'S OLDEST AND ONLY PUBLIC FOUNDATION FOCUSED EXCLUSIVELY
 ON IMPROVING EDUCATION QUALITY, ACCESS, ACHIEVEMENT AND ATTAINMENT
 OF THE REGION'S LOW INCOME STUDENTS, FROM PRE-SCHOOL THROUGH
 HIGHER EDUCATION. SEF'S OVERARCHING AIM IS TO HELP LOW INCOME
 STUDENTS REALIZE THE FULL MEASURE OF THEIR POTENTIAL AND CAPACITY
 TO CONTRIBUTE TO THE ECONOMY AND THE COMMON GOOD THROUGH MORE AND
 BETTER EDUCATION OPPORTUNITY. CONTINUED ON SCHEDULE O

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe in Schedule O)

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

4e Total program service expenses ► 1,905,336.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	X	
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		X
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		X
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 for which 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		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	X	
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	X	
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		X
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		X
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		X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		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	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	X	
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		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
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		X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

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

Form 990 (2011)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck 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 51		
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	X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 2a 15		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? 2b	X	
Note If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year? 3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O. 3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? 4a		X
b If "Yes," enter the name of the foreign country: See 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		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? 5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T? 5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? 6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 6b		
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? 7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided? 7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? 7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year. 7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? 7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? 7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? 7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? 8		
9 Sponsoring organizations maintaining donor advised funds.		
a Did the organization make any taxable distributions under section 4966? 9a		
b Did the organization make a distribution to a donor, donor advisor, or related person? 9b		
10 Section 501(c)(7) organizations. Enter		
a Initiation fees and capital contributions included on Part VIII, line 12. 10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. 10b		
11 Section 501(c)(12) organizations. Enter		
a Gross income from members or shareholders. 11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them). 11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? 12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year. 12b		
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		
Note. See the instructions for additional information the organization must report on Schedule O		
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		
c Enter the amount of reserves on hand. 13c		
14a Did the organization receive any payments for indoor tanning services during the tax year? 14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O. 14b		

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

Check if Schedule O contains a response to any question in this Part VI. ☒ **X**

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed. GA, NY,

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made 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 made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization. TROY D. JOHNSON 135 AUBURN AVENUE NE, 2ND FL ATLANTA, GA 30303 404-523-0001

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck 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. 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 (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ATTACHMENT 2										
(1) DR. RANDY BRIDGES CHAIR, TRUSTEE	5.00	X						0	0	0
(2) JUDITH WINSTON VICE CHAIR, TRUSTEE	5.00	X						0	0	0
(3) ALLEN TANENBAUM SECRETARY, TRUSTEE	5.00	X						0	0	0
(4) ISAIAH TIDWELL TREASURER, TRUSTEE	5.00	X						0	0	0
(5) DR. HAROLD MARTIN TRUSTEE	2.00	X						0	0	0
(6) DR. EMMETT CARSON TRUSTEE	2.00	X						0	0	0
(7) DR. ALICE BROWN TRUSTEE	2.00	X						0	0	0
(8) CYRUS JOLLIVETTE TRUSTEE	2.00	X						0	0	0
(9) THOMAS TISDALE, JR., ESQ. TRUSTEE	2.00	X						0	0	0
(10) HONORABLE U.W. CLEMON TRUSTEE	2.00	X						0	0	0
(11) DR. SUSAN JOHNSTON TRUSTEE	2.00	X						0	0	0
(12) STEPHEN SUITTS VICE PRESIDENT	55.00			X				187,067.	0	33,232.
(13) TROY D. JOHNSON CFO	40.00			X				134,000.	0	25,237.
(14) DR. CYRIL K. MCGUIRE CEO	50.00			X				277,000.	0	22,384.

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 (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) LYNN WALKER-HUNTLEY CEO	10.00						X	187,772.	0	0
1b Sub-total								598,067.	0	80,853.
c Total from continuation sheets to Part VII, Section A								187,772.	0	0
d Total (add lines 1b and 1c)								785,839.	0	80,853.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **4**

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

	Yes	No
3	X	
4	X	
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation

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 **0**

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f	2,074,069			
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		2,074,069			
Program Service Revenue				Business Code			
	2a						
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		0			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts).	ATTACHMENT 3	831,459			831,459
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real	(ii) Personal			
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)		0			
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	2,806,334				
	b	Less cost or other basis and sales expenses	2,856,805				
	c	Gain or (loss)	-50,471				
	d	Net gain or (loss)		-50,471			
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events		0			
	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		0			
	10a	Gross sales of inventory, less returns and allowances	a				
b	Less cost of goods sold	b					
c	Net income or (loss) from sales of inventory		0				
Miscellaneous Revenue			Business Code				
11a	OTHER INCOME	900099	70			70	
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		70				
12	Total revenue. See instructions		2,855,127			831,529	

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).

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

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 United States. See Part IV, line 21.	58,770.	58,770.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22.	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.	0			
4 Benefits paid to or for members.	0			
5 Compensation of current officers, directors, trustees, and key employees.	671,598.	337,538.	261,800.	72,260.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0			
7 Other salaries and wages.	833,203.	656,630.	158,825.	17,748.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	47,047.	36,937.	7,935.	2,175.
9 Other employee benefits.	47,782.	33,211.	12,251.	2,320.
10 Payroll taxes.	69,124.	39,843.	25,483.	3,798.
11 Fees for services (non-employees):				
a Management.	0			
b Legal.	244.		244.	
c Accounting.	36,299.	19,916.	13,759.	2,624.
d Lobbying.	0			
e Professional fundraising services. See Part IV, line 17.	0			
f Investment management fees.	67,144.		67,144.	
g Other.	140,226.	140,226.		
12 Advertising and promotion.	0			
13 Office expenses.	110,749.	85,696.	20,004.	5,049.
14 Information technology.	27,225.	15,870.	8,516.	2,839.
15 Royalties.	0			
16 Occupancy.	68,922.	37,343.	23,684.	7,895.
17 Travel.	221,967.	159,370.	46,947.	15,650.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19 Conferences, conventions, and meetings.	244,777.	220,567.	18,158.	6,052.
20 Interest.	0			
21 Payments to affiliates.	0			
22 Depreciation, depletion, and amortization.	71,138.	49,520.	11,659.	9,959.
23 Insurance.	0			
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a MISCELLANEOUS	15,644.	10,830.	4,814.	
b TAXES & LICENSES	2,292.		2,292.	
c DUES & SUBSCRIPTIONS	10,227.	3,069.	5,447.	1,711.
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e.	2,744,378.	1,905,336.	688,962.	150,080.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).	0			

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	0	1	0
	2 Savings and temporary cash investments	2,670,864.	2	2,236,754.
	3 Pledges and grants receivable, net	987,934.	3	567,150.
	4 Accounts receivable, net	0	4	0
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	0	5	0
	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)	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	0	8	0
	9 Prepaid expenses and deferred charges	11,857.	9	9,778.
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 1,979,032.		
	b Less accumulated depreciation	10b 1,480,877.	351,184.	10c 498,155.
	11 Investments - publicly traded securities	20,490,270.	11	20,799,051.
	12 Investments - other securities See Part IV, line 11	0	12	0
	13 Investments - program-related See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets See Part IV, line 11	3,256.	15	3,256.
16 Total assets. Add lines 1 through 15 (must equal line 34)	24,515,365.	16	24,114,144.	
Liabilities	17 Accounts payable and accrued expenses	73,636.	17	86,539.
	18 Grants payable	0	18	0
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	0	20	0
	21 Escrow or custodial account liability Complete Part IV of Schedule D	0	21	0
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	0	25	0
	26 Total liabilities. Add lines 17 through 25	73,636.	26	86,539.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	12,851,045.	27	12,369,841.
	28 Temporarily restricted net assets	11,578,284.	28	11,645,364.
	29 Permanently restricted net assets	12,400.	29	12,400.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	24,441,729.	33	24,027,605.
34 Total liabilities and net assets/fund balances.	24,515,365.	34	24,114,144.	

Form 990 (2011)

Form 990 (2011)

Page **12****Part XI Reconciliation of Net Assets**Check 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	2,855,127.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,744,378.
3	Revenue less expenses Subtract line 2 from line 1	3	110,749.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	24,441,729.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-524,873.
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	24,027,605.

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?		X
b Were the organization's financial statements audited by an independent accountant?	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	X	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Form **990** (2011)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

SOUTHERN EDUCATION FOUNDATION, INC.

Employer identification number

13-5562388

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

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

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

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

h Provide the following information about the supported organization(s)

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

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

Schedule A (Form 990 or 990-EZ) 2011

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	828,093	2,345,387	3,849,664	1,740,538	2,074,069	10,837,751
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3.	828,093	2,345,387	3,849,664	1,740,538	2,074,069	10,837,751
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f).						6,524,573
6 Public support. Subtract line 5 from line 4.						4,313,178

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	828,093	2,345,387	3,849,664	1,740,538	2,074,069	10,837,751
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	747,874	1,318,549	422,992	651,100	831,459	3,971,974
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	14,111	443	531	42	70	15,197
11 Total support. Add lines 7 through 10.						14,824,922
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	29.09%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	28.14%
16a 33 1/3% support test - 2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test - 2011. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization.		<input checked="" type="checkbox"/>
b 10%-facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization.		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II.
If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	%
19a 33 1/3% support tests - 2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33 1/3% support tests - 2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions <input type="checkbox"/>		

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions)

HOW THE ORGANIZATION MEETS THE "FACTS-AND-CIRCUMSTANCES" TEST

PART II, LINE 17A

WHILE SOUTHERN EDUCATION FOUNDATION, INC. ("FOUNDATION") FAILED TO MEET THE MECHANICAL "ONE-THIRD OF SUPPORT" TEST IN 2011, IT CLEARLY SATISFIED THE ALTERNATIVE "FACTS AND CIRCUMSTANCES" TEST OUTLINED IN SECTION 1.170A-9(F)(3) OF THE TREASURY REGULATIONS. SPECIFICALLY, THE TWO REQUIRED FACTORS ARE PRESENT IN THIS CASE:

1. THE ORGANIZATION MUST RECEIVE AT LEAST 10% OF ITS SUPPORT IN THE FORM OF PUBLIC SUPPORT. AS NOTED IN SCHEDULE A TO FORM 990, IN 2011 THE FOUNDATION RECEIVED APPROXIMATELY 29% OF ITS TOTAL SUPPORT IN THE FORM OF PUBLIC SUPPORT - AN AMOUNT FAR IN EXCESS OF THE 10% THRESHOLD.

2. THE ORGANIZATION MUST HAVE AN ACTIVE "CONTINUOUS AND BONA FIDE" FUNDRAISING PROGRAM DESIGNED TO ATTRACT NEW AND ADDITIONAL PUBLIC SUPPORT. THE FOUNDATION CARRIED ON AN ACTIVE AND AGGRESSIVE PROGRAM OF PUBLIC SOLICITATION IN 2011 AND RAISED OVER \$2 MILLION FROM MORE THAN A DOZEN DIFFERENT SOURCES.

IN ADDITION, ALL OF THE "FAVORABLE FACTORS" DESCRIBED IN THE TAX REGULATIONS RELEVANT TO NON-MEMBERSHIP ORGANIZATIONS ARE PRESENT IN THIS CASE:

1. THE HIGHER THE PERCENTAGE OF SUPPORT ABOVE 10%, THE LESSER THE BURDEN OF THE ORGANIZATION IN ESTABLISHING THAT IT IS PUBLICLY SUPPORTED. IN THIS CASE, THE FOUNDATION'S PUBLIC SUPPORT PERCENTAGE IS SUBSTANTIALLY

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b, and Part III, line 12. Also complete this part for any additional information (See instructions).

ABOVE 10%. (THE FOUNDATION NEARLY SATISFIED THE MECHANICAL "ONE-THIRD" TEST.)

2. THE ORGANIZATION RECEIVES SUPPORT FROM A REPRESENTATIVE NUMBER OF PERSONS RATHER THAN FROM MEMBERS OF A SINGLE FAMILY OR FROM A LIMITED BASE OF SUPPORT. OVER THE YEARS, THE FOUNDATION HAS ATTRACTED CONTRIBUTIONS FROM A LARGE AND VARIED NUMBER OF SOURCES, INCLUDING DOZENS OF THE NATION'S MOST WELL-KNOWN AND RESPECTED CHARITIES.

3. THE COMPOSITION OF THE ORGANIZATION'S GOVERNING BODY IS REPRESENTATIVE OF BROAD PUBLIC INTERESTS. THE FOUNDATION'S BOARD OF DIRECTORS HAS A DIVERSE MEMBERSHIP WHICH INCLUDES PUBLIC OFFICIALS, COMMUNITY LEADERS, AND PERSONS WITH SPECIAL EXPERTISE IN EDUCATION (E.G., TWO UNIVERSITY PRESIDENTS, THE SUPERINTENDENT OF A LOCAL SCHOOL SYSTEM, THE CHIEF EXECUTIVE OF ONE OF THE NATION'S LARGEST COMMUNITY FOUNDATIONS, A RETIRED FEDERAL JUDGE, AND SEVERAL BUSINESS EXECUTIVES AND ATTORNEYS). ITS GOVERNING BODY REPRESENTS THE INTERESTS OF THE LARGER PUBLIC RATHER THAN THE PERSONAL OR PRIVATE INTERESTS OF A LIMITED NUMBER OF DONORS.

4. THE ORGANIZATION CONDUCTS PROGRAMS AND ACTIVITIES THAT ARE AVAILABLE TO AND THAT APPEAL TO THE GENERAL PUBLIC. (THE FACT THAT A RESEARCH OR EDUCATIONAL ORGANIZATION CONDUCTS SCHOLARLY STUDIES WHICH ARE USED BY EDUCATORS OR THE GENERAL PUBLIC IS EVIDENCE OF PUBLIC SUPPORT.) THE FOUNDATION CONDUCTS ANALYSES OF EDUCATION ISSUES, TRENDS, AND POSSIBILITIES AND DISSEMINATES THE DATA IN ACCESSIBLE FORMATS TO THE LAY PUBLIC AND TO POLICY MAKERS. ADDITIONALLY, THROUGH ITS WEBSITE,

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10, Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information (See instructions).

CONFERENCES, AND DIRECT DISSEMINATION OF ITS PUBLICATIONS, THE FOUNDATION PROVIDES ESSENTIAL INFORMATION TO THE PUBLIC ABOUT EDUCATIONAL PROBLEMS AND SOLUTIONS.

IN SUM, THE FACTS AND CIRCUMSTANCES IN THIS CASE CLEARLY DEMONSTRATE BROAD PUBLIC SUPPORT FOR, AND INTEREST AND INVOLVEMENT IN, THE FOUNDATION'S MISSION AND PROGRAMS. THEREFORE, THE FOUNDATION CONTINUES TO QUALIFY AS A "PUBLICLY SUPPORTED CHARITY" DESCRIBED IN SECTIONS 509(A)(1) AND 170(B)(1)(A)(VI) OF THE INTERNAL REVENUE CODE.

ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2007	2008	2009	2010	2011	TOTAL
OTHER REVENUES	14,111	443	531	42	70	15,197
TOTALS	<u>14,111</u>	<u>443</u>	<u>531</u>	<u>42</u>	<u>70</u>	<u>15,197</u>

SCHEDULE D
(Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

► **Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

2011

Name of estate or trust

SOUTHERN EDUCATION FOUNDATION, INC.

Employer identification number

13-5562388

Note: Form 5227 filers need to complete *only* Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day , yr)	(c) Date sold (mo , day , yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					
b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b					1b -101,987.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824					2
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts					3
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2010 Capital Loss Carryover Worksheet					4 ()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ►					5 -101,987.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day , yr)	(c) Date sold (mo , day , yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a LONG-TERM CAPITAL GAIN DIVIDENDS					16,901.
b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b					6b 34,615.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824					7
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts					8
9 Capital gain distributions					9
10 Gain from Form 4797, Part I					10
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2010 Capital Loss Carryover Worksheet					11 ()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ►					12 51,516.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2011

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
13	Net short-term gain or (loss)	13		-101,987.
14	Net long-term gain or (loss):			
a	Total for year	14a		51,516.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a ▶	15		-50,471.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation	
16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of a The loss on line 15, column (3) or b \$3,000
16	(3,000.)

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates	
Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero. Caution: Skip this part and complete the Schedule D Tax Worksheet in the instructions if • Either line 14b, col (2) or line 14c, col (2) is more than zero, or • Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero	
Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the Schedule D Tax Worksheet in the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero	
17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)
20	Add lines 18 and 19
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶
22	Subtract line 21 from line 20. If zero or less, enter -0-
23	Subtract line 22 from line 17. If zero or less, enter -0-
24	Enter the smaller of the amount on line 17 or \$2,300
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box <input type="checkbox"/> No. Enter the amount from line 23.
26	Subtract line 25 from line 24.
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)
29	Subtract line 28 from line 27
30	Multiply line 29 by 15% (.15)
31	Figure the tax on the amount on line 23. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041).
32	Add lines 30 and 31
33	Figure the tax on the amount on line 17. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041).
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36).

Schedule D (Form 1041) 2011

Department of the Treasury
Internal Revenue Service

▶ See instructions for Schedule D (Form 1041).
▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

2011

SOUTHERN EDUCATION FOUNDATION, INC.

13-5562388

[illegible]

1b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 1b -101,987.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041

Schedule D-1 (Form 1041) 2011

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71110

Employer identification number

Part II

[illegible]

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b	34,615.
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Schedule D-1 (Form 1041) 2011

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service
Name of the organization

Supplemental Financial Statements

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

OMB No 1545-0047

2011

Open to Public
Inspection

SOUTHERN EDUCATION FOUNDATION, INC.

Employer identification number
13-5562388

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?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> 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)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

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

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

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

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

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

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

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

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

1a If the organization elected, as permitted under SFAS 116 (ASC 958), 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 (ASC 958), 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 (ASC 958) relating to these items

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

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990

Schedule D (Form 990) 2011

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

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

a ☐

b ☐

c ☐

Public exhibition

Scholarly research

Preservation for future generations

d ☐

e ☐

Loan or exchange programs

Other _____

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

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

Part IV Escrow and Custodial Arrangements. Complete if 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
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	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	20,044,936.	20,128,049.	18,200,163.	16,237,239.	
b Contributions		1,700,000.	3,790,000.	4,101,400.	
c Net investment earnings, gains, and losses	187,513.				
d Grants or scholarships		97,757.	177,829.		
e Other expenditures for facilities and programs	500,000.	1,560,017.	1,684,285.	2,138,476.	
f Administrative expenses	65,369.	579,591.			
g End of year balance	19,667,080.	19,590,684.	20,128,049.	18,200,163.	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶ 41.0000 %

b Permanent endowment ▶ %

c Temporarily restricted endowment ▶ 59.0000 %

The percentages in lines 2a, 2b, and 2c should equal 100%

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

(i) unrelated organizations

(ii) related organizations

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

b 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 Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings		1,293,875.	905,153.	388,722.
c Leasehold improvements				
d Equipment		279,128.	275,581.	3,547.
e Other		406,029.	300,143.	105,886.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)).				498,155.

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		
(3) Other -----		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total (Column (b) must 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
(1) -----		
(2) -----		
(3) -----		
(4) -----		
(5) -----		
(6) -----		
(7) -----		
(8) -----		
(9) -----		
(10) -----		
Total (Column (b) must 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
(1) -----	
(2) -----	
(3) -----	
(4) -----	
(5) -----	
(6) -----	
(7) -----	
(8) -----	
(9) -----	
(10) -----	
Total (Column (b) must equal Form 990, Part X, col (B) line 15) ►	

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

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2) -----		
(3) -----		
(4) -----		
(5) -----		
(6) -----		
(7) -----		
(8) -----		
(9) -----		
(10) -----		
(11) -----		
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ►		

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 (ASC 740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	2,855,127.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	2,744,378.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	110,749.
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	110,749.

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

1	Total revenue, gains, and other support per audited financial statements	1	2,330,254.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	-524,873.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	-524,873.
3	Subtract line 2e from line 1	3	2,855,127.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	2,855,127.

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

1	Total expenses and losses per audited financial statements	1	2,744,378.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	2,744,378.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	2,744,378.

Part XIV Supplemental Information

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

SEE PAGE 5

Part XIV Supplemental Information (continued)

INTENDED USES OF THE ORGANIZATION'S ENDOWMENT FUNDS

PART V, LINE 4

ENDOWMENT FUNDS ARE USED TO SUPPORT THE FOUNDATION'S VARIOUS RESEARCH, ANALYSIS, ADVOCACY, TECHNICAL ASSISTANCE AND OUTREACH PROGRAMS.

LIABILITY FOR UNCERTAIN TAX POSITIONS UNDER ASC 740-10

PART X, LINE 2

THE FOUNDATION IS RECOGNIZED AS AN ORGANIZATION EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 501(A) OF THE INTERNAL REVENUE CODE AS AN ORGANIZATION DESCRIBED IN SECTION 501(C)(3).

THE FOUNDATION ANNUALLY EVALUATES ALL FEDERAL AND STATE INCOME TAX POSITIONS. THIS PROCESS INCLUDES AN ANALYSIS OF WHETHER THESE INCOME TAX POSITIONS THE FOUNDATION TAKES MEET THE DEFINITION OF AN UNCERTAIN TAX POSITION UNDER THE INCOME TAXES TOPIC OF THE FINANCIAL ACCOUNTING STANDARDS CODIFICATION. THE FOUNDATION BELIEVES IT IS NO LONGER SUBJECT TO TAX EXAMINATIONS FOR TAX YEARS ENDING BEFORE DECEMBER 31, 2008.

**SCHEDULE I
(Form 990)**

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

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

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Name of the organization

SOUTHERN EDUCATION FOUNDATION, INC.

Employer identification number

13-5562388

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

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

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS 1866 SOUTHERN LANE DECATUR, GA 30033	32-0261810	501 (C) (3)	6,710				TEACHING GRANT
(2)	MISSISSIPPI TEACHER CORPS UNIVERSITY, MS	64-6001159	501 (C) (3)	52,060				TEACHING GRANT
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 2
- 3 Enter total number of other organizations listed in the line 1 table 2

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

Schedule I (Form 990) (2011)

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Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information

PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS

PART I, LINE 2

THE ORGANIZATION REQUIRES AN ANNUAL REPORT DETAILING THE OUTCOME OF THE

PROJECT FUNDED AND AN ACCOUNTING FOR THE MONIES RECEIVED.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990 ▶ See separate instructions

OMB No 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

SOUTHERN EDUCATION FOUNDATION, INC.

Employer identification number

13-5562388

Part I Questions Regarding Compensation

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

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

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

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" 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?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

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

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

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

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

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

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

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

Schedule J (Form 990) 2011

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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(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 as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 LYNN WALKER-HUNTLEY	(i) 100,000.		87,772.			187,772.	0
(ii)	0	0	0	0	0	0	0
2 STEPHEN SUITTS	(i) 182,067.	5,000.		27,310.	7,543.	221,920.	0
(ii)	0	0	0	0	0	0	0
3 TROY D. JOHNSON	(i) 130,000.	4,000.		19,500.	7,103.	160,603.	0
(ii)	0	0	0	0	0	0	0
4 DR. CYRIL K. MCGUIRE	(i) 265,000.		12,000.	16,500.	7,539.	301,039.	0
(ii)	0	0	0	0	0	0	0
5	(i)						
(ii)							
6	(i)						
(ii)							
7	(i)						
(ii)							
8	(i)						
(ii)							
9	(i)						
(ii)							
10	(i)						
(ii)							
11	(i)						
(ii)							
12	(i)						
(ii)							
13	(i)						
(ii)							
14	(i)						
(ii)							
15	(i)						
(ii)							
16	(i)						
(ii)							

Schedule J (Form 990) 2011

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

NON-FIXED COMPENSATION

PART I, LINE 7

STEPHEN SUITTS AND TROY JOHNSON RECEIVED ANNUAL BONUSES BASED ON INDIVIDUAL PERFORMANCE GOALS THROUGH SEF'S OVERALL BONUS POLICY FOR ALL EMPLOYEES. BONUSES WERE APPROXIMATELY 3% OF TOTAL BASE COMPENSATION.

DR. CYRIL K. MCGUIRE WAS GIVEN A TAXABLE AUTO ALLOWANCE OF \$1,000 PER MONTH.

LYNN WALKER-HUNTLEY RECEIVED \$87,772 IN DEFERRED COMPENSATION UNDER A SECTION 457(F) PLAN THAT VESTED DURING 2011 UPON HER RETIREMENT.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

**Open to Public
Inspection**

Employer identification number

SOUTHERN EDUCATION FOUNDATION, INC.

13-5562388

CONTINUATION OF EXEMPT PURPOSE ACHIEVEMENTS

PART III, LINE 4A

CONTINUED FROM FORM 990, PART III, LINE 4A EDUCATION IS THE KEY TO THE SOUTH'S AND THE NATION'S ECONOMIC FUTURE, DEMOCRATIC GOVERNANCE AND QUALITY OF LIFE. SEF'S POLICY RESEARCH AND ANALYSIS, TECHNICAL ASSISTANCE, COMMUNITY EDUCATION AND INFORMATION DISSEMINATION ACTIVITIES HELP POLICYMAKERS, EDUCATORS, PARENTS AND THE PUBLIC MAKE GOOD DATA-DRIVEN DECISIONS ABOUT HOW TO IMPROVE EDUCATION QUALITY AND USE SCARCE RESOURCES WELL TO OPTIMIZE IMPACT.

THE SOUTH HAS HISTORICALLY UNDERINVESTED IN EDUCATION. AS THIS YEAR'S WORK REVEALS, THE REGION NOW FACES THE URGENT NEED TO ENHANCE EDUCATION AT ALL LEVELS, ESPECIALLY FOR VULNERABLE POPULATIONS THAT NEED HELP. TOO FEW STUDENTS HAVE ACCESS TO HIGH QUALITY EARLY CHILDHOOD EDUCATION, TOO FEW ARE GRADUATING FROM HIGH SCHOOL, AND EVEN FEWER MAKE SUCCESSFUL TRANSITIONS TO POSTSECONDARY EDUCATION AND WORK. THIS REALITY SHAPED SEF'S WORK DURING 2011.

A CONTINUING GOAL FOR SEF HAS BEEN TO CREATE A PIPELINE OF TALENTED YOUNG PEOPLE INTERESTED IN CAREERS IN PHILANTHROPY AND THE NONPROFIT SECTOR. TOWARD THIS END, EACH YEAR SEF PLACES SOUTHERN COLLEGE AND GRADUATE STUDENTS IN FOUNDATIONS AND OTHER NONPROFITS THAT WORK ON IMPROVING THE QUALITY OF AND ACCESS TO EDUCATION. SEF INTERNS ARE EXPOSED TO A RIGOROUS ORIENTATION TO PROVIDE CONTEXT ON HOW QUESTIONS OF EDUCATIONAL

Name of the organization

SOUTHERN EDUCATION FOUNDATION, INC.

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IMPROVEMENT ARE BEING ADDRESSED IN THE SOUTH. ATTENTION IS GIVEN TO
WORKPLACE AS WELL AS SUBSTANTIVE SKILLS SO THAT THEY CAN TAKE FULL
ADVANTAGE OF THEIR INTERNSHIP EXPERIENCE. AFTER THEIR INTERNSHIP,
STUDENTS ARE REQUIRED TO PRESENT WHAT THEY HAVE LEARNED/STUDIED/DONE TO
THEIR PEERS IN ORDER TO ENHANCE THEIR BREADTH AND AWARENESS OF THE CAUSES
AND CONSEQUENCES OF RADICAL EDUCATION INEQUALITY AND THE NEED TO IMPROVE
EDUCATION AT ALL LEVELS.

TO ENSURE THAT THE PUBLIC IS AWARE OF KEY RESEARCH RELATED TO EDUCATION
BEST PRACTICES AND INFORM POLICY AND PRACTICE DECISION MAKING, SEF
PUBLISHES AND PUTS ON ITS WEBSITE DIVERSE TYPES OF INFORMATION OF
INTEREST. A FAILED EXPERIMENT: GEORGIA'S TAX CREDIT SCHOLARSHIPS FOR
PRIVATE SCHOOLS REVIEWS A LAW IN GEORGIA THAT PERMITS INDIVIDUAL
TAXPAYERS TO REDUCE ANNUAL STATE TAXES BY UP TO \$2,500 ON A JOINT RETURN
WHEN THEY CONTRIBUTE TO A STUDENT SCHOLARSHIP ORGANIZATION. A MAJOR
SHORTCOMING IS THAT THE LAW HAS NOT INCREASED THE NUMBER OF LOW INCOME
STUDENTS ATTENDING PRIVATE SCHOOLS, WHICH WAS THE PRINCIPAL ARGUMENT FOR
PASSING THE LEGISLATION. THE SEF REPORT HAS BEEN WIDELY DISSEMINATED
LOCALLY AND HAS SERVED AS A RESOURCE TO INVESTIGATIONS INTO TAX CREDIT
SCHOLARSHIP PROGRAMS BY LOCAL AND NATIONAL PRESS.

ANOTHER REPORT PRODUCED IN 2011, THE ROLE OF MINORITY-SERVING
INSTITUTIONS IN REDEFINING AND IMPROVING DEVELOPMENTAL EDUCATION REVIEWS
THE NATIONAL DATA ON ENROLLMENT IN DEVELOPMENTAL EDUCATION COURSES,
DESCRIBES THE CURRENT STATE POLICY ENVIRONMENT RELATED TO DEVELOPMENTAL

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EDUCATION AND DOCUMENTS EFFECTIVE AND PROMISING PRACTICES RELATED TO DEVELOPMENTAL EDUCATION, ESPECIALLY FOR INSTITUTIONS SERVING HIGH CONCENTRATIONS OF MINORITY STUDENTS. GIVEN THE NATIONAL INTEREST IS SUBSTANTIALLY INCREASING DEGREE COMPLETION, LEADERSHIP AND INNOVATION RELATED TO DEVELOPMENTAL EDUCATION AT MINORITY SERVING INSTITUTIONS IS IMPERATIVE. THE SEF REPORT DRAWS UPON CASE STUDY FINDINGS FROM A REPRESENTATIVE SAMPLE OF MINORITY SERVING INSTITUTIONS TO HIGHLIGHT PROMISING PRACTICES AND RECENT INNOVATIONS IN DEVELOPMENTAL EDUCATION RANGING FROM THE CLIMATE ON CAMPUS AND THE NATURE OF SOCIAL SUPPORT OFFERED TO STUDENTS TO PEDAGOGY, ASSESSMENT PRACTICES AND ACADEMIC SUPPORTS.

THERE WERE TWO SIGNIFICANT CONFERENCES STAGED BY SEF DURING THE YEAR. IN FEBRUARY, SEF BROUGHT TOGETHER 160 REPRESENTATIVES FROM 49 COLLEGES AND UNIVERSITIES FOR A TWO AND ONE-HALF DAY INSTITUTE ON STUDENT LEARNING OUTCOMES. CHIEF AMONG THE GOALS FOR THIS CONFERENCE WERE SHEDDING LIGHT ON THE MOST EFFECTIVE PRACTICES FOR ASSESSING STUDENT LEARNING ON COLLEGE CAMPUSES AND DEVELOPING RELATIONSHIPS AND NETWORKS BETWEEN AND AMONG INSTITUTE PARTICIPANTS TO FOSTER SHARED KNOWLEDGE AND LEARNING AT THE FACULTY AND STAFF LEVELS. IN ADDITION TO SESSIONS ADDRESSING TECHNICAL AND POLICY ISSUES RELATED TO IMPROVING LEARNING OUTCOMES, REPORTS FROM COLLEGES AND UNIVERSITIES PARTICIPATING IN A MULTI-SITE DEMONSTRATION PROGRAM REPORTED ON THEIR PROGRESS IN DESIGNING AND IMPLEMENTING PROGRAMS TO INCREASE STUDENT RETENTION AND ACADEMIC PERFORMANCE. SEF TOOK THE OPPORTUNITY TO INCORPORATE A HALF-DAY SESSION PRODUCED IN COLLABORATION

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WITH THE ASSOCIATION FOR INSTITUTIONAL RESEARCH FOCUSED ON USING NATIONAL DATA TO INFORM INSTITUTIONAL DECISION MAKING. AMONG OTHER THINGS, THIS SESSION HELPED PARTICIPANTS CONSIDER WAYS TO LINK THEIR INSTITUTION'S DATA TO THESE LARGER NATIONAL SAMPLES AND TO USE THE INSIGHTS FROM THESE LONGITUDINAL DATA SETS IN FRAMING DATA COLLECTION AND ANALYSIS EFFORTS ON THEIR CAMPUSES. OUR EVALUATION DATA SUGGESTS BOTH HIGH LEVELS OF ENGAGEMENT AND HIGH SATISFACTION WITH THE CONTENT. OVER 70% OF MEETING PARTICIPANTS REPORTED THAT THEY HAD LEARNED IMPORTANT INFORMATION FROM PRESENTERS THAT IS IMMEDIATELY APPLICABLE TO THEIR PROFESSIONAL LIVES.

THE SEF GOVERNANCE SEMINAR TOOK PLACE IN LATE JUNE AND WAS ATTENDED BY 149 PARTICIPANTS FROM 57 MINORITY SERVING COLLEGES AND UNIVERSITIES, THIS SEMINAR TARGETS COLLEGE PRESIDENTS AND TRUSTEES, WHICH IS AMONG THE DISTINGUISHING FEATURES OF THIS GATHERING, SINCE IS UNCOMMON FOR TEAMS OF CAMPUS LEADERS AND TRUSTEES TO COME TOGETHER TO TAKE UP IMPORTANT QUESTIONS RELATED TO INSTITUTIONAL EFFECTIVENESS. IN DESIGNING THIS SEMINAR, SEF WAS VERY HAPPY TO HAVE COLLABORATED WITH BOTH THE SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS AND THE U.S. DEPARTMENT OF EDUCATION AND AGENDA SPANNED SEVERAL KEY THEMES. ONE FOCUSED ON INNOVATION AND CHANGE, PERTAINING BOTH TO OPERATIONS AND ACADEMICS. ANOTHER FOCUSED ON STUDENT FINANCIAL AID PRACTICES AND THE RELATIONSHIP BETWEEN THESE PRACTICES AND STUDENT SUCCESS ON CAMPUS. A THIRD FOCUSED ON LEADERSHIP AND GOVERNANCE WITH A SPECIFIC EMPHASIS ON CONNECTIONS TO STUDENT SUCCESS.

A SIGNIFICANT RESEARCH EFFORT ON OUT OF SCHOOL SUSPENSIONS IN SOUTHERN

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STATES, WHICH STARTED IN 2010, IS NEARLY COMPLETE. SEF SOON TO BE RELEASED REPORT, SUSPENDED LEARNING: THE OVERUSE OF SCHOOL SUSPENSIONS WILL REVIEW NATIONAL AND REGIONAL DATA ON SCHOOL SUSPENSION RATES. IT WILL REVEAL THAT SOUTHERN STATES HAVE THE NATION'S HIGHEST RATES OF SCHOOL SUSPENSIONS. INDEED, EIGHT OF THE 10 STATES WITH THE NATION'S HIGHEST RATES OF SCHOOL SUSPENSIONS ARE IN THE SOUTH. IT WILL ALSO SHOW THESE RATES ARE PARTICULARLY HIGH FOR STUDENTS OF COLOR. SUSPENSION RATES FOR AFRICAN AMERICAN MALES ARE ROUGHLY TWICE THAT OF WHITE MALES ACROSS THE ENTIRE 15 STATE REGION FOR WHICH SEF ANALYZED AND COLLECTED DATA. IT TURNS OUT THAT A RELATIVELY SMALL PERCENTAGE OF SCHOOL SUSPENSIONS COME AS A RESULT OF DANGEROUS ACTS. THE LARGEST REPORTED CATEGORY OF REASONS FOR SUSPENSIONS IS RELATED TO DISRESPECT, DISOBEDIENCE AND INSUBORDINATION. FOLLOWING THE RELEASE OF THIS REPORT, SEF INTENDS TO WORK WITH STATE AND LOCAL EDUCATION LEADERS TO EXAMINE THE AVAILABLE DATA WITH CARE AND TO LOOK FOR WAYS TO IMPROVE AND REFORM DISCIPLINE POLICIES AND PRACTICES IN SCHOOLS.

FINALLY, IT IS IMPORTANT TO NOTE THAT DURING 2011, SEF'S WEBSITE UNDERWENT A COMPLETE REDESIGN. THE NEW SITE PROVIDES INFORMATION ON SEF'S OPERATING PROGRAMS, AND FREQUENTLY UPDATED NEWS ON SEF ACTIVITIES AND EVENTS. WITH IMPROVED NAVIGABILITY AND FUNCTIONALITY, THE NEW WEBSITE STANDS TO SERVE THE PUBLIC AND SEF CONSTITUENTS, COLLABORATORS AND PARTNERS WELL. WE ARE IN THE PROCESS OF REFINING A SERIES OF WEB-ENABLED COMMUNICATIONS ACTIVITIES AND STRATEGIES THAT SHOULD, OVER TIME, ENHANCE OUR ABILITY TO DISSEMINATE INFORMATION OF BROAD INTEREST

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AND UTILITY TO THE PUBLIC.

PROCESS USED BY THE ORGANIZATION TO REVIEW THIS FORM 990

PART VI, LINE 11A

THE 990 IS REVIEWED BY THE FINANCE, AUDIT, AND ADMINISTRATION COMMITTEE,
THE CEO AND THE CFO. AFTER ALL QUESTIONS AND CONCERNS ARE ADDRESSED THE
990 IS FILED AND A COPY IS PRESENTED TO EACH BOARD MEMBER.

HOW THE ORGANIZATION MONITORS AND ENFORCES THE CONFLICT OF INTEREST POLICY

PART VI, LINE 12C

ANNUALLY, EACH TRUSTEE AND SEF STAFF MEMBER EXECUTE A DISCLOSURE FORM
IDENTIFYING ANY RELATIONSHIPS, POSITIONS OR CIRCUMSTANCES IN WHICH HE/SHE
IS INVOLVED THAT COULD CONTRIBUTE TO A REAL OR PERCEIVED CONFLICT OF
INTEREST. ANY INFORMATION REGARDING BUSINESS INTEREST OF A TRUSTEE IS
TREATED AS CONFIDENTIAL AND IS GENERALLY MADE AVAILABLE TO THE CHAIR, THE
PRESIDENT, AND ANY COMMITTEE APPOINTED TO ADDRESS CONFLICTS OF INTEREST,
EXCEPT TO THE EXTENT ADDITIONAL DISCLOSURE IS NECESSARY IN CONNECTION
WITH THE IMPLEMENTATION OF THIS POLICY. TRUSTEES DO NOT VOTE ON ANY
MATTER IN WHICH THEY BELIEVE THERE IS DUALITY OF INTEREST AND MAY, IF
ASKED, BE CALLED UPON TO SHARE WITH FELLOW TRUSTEES SUCH INFORMATION
RELATED TO THE DUALITY OF INTEREST AS MAY BE NECESSARY AND APPROPRIATE.
THE MINUTES OF BOARD MEETINGS WILL SHOW THAT THE TRUSTEE HAVING A DUALITY
OF INTEREST DISCLOSED SAME AND ABSTAINED FROM VOTING ON RELATED MATTERS.
A COPY OF THIS POLICY IS FURNISHED TO EACH PERSON WHO IS OR BECOMES A
MEMBER OF THE BOARD OF TRUSTEES OR STAFF. EACH SUCH PERSON IS REQUIRED
TO REVIEW A COPY OF THIS POLICY AND ACKNOWLEDGE IN WRITING THAT HE OR SHE

Name of the organization

SOUTHERN EDUCATION FOUNDATION, INC.

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HAS DONE SO.

PROCESS FOR DETERMINING COMPENSATION

PART VI, LINE 15

IN ORDER TO DETERMINE STAFF COMPENSATION LEVELS FOR ITS SMALL STAFF AND CONSERVATIVE MODEST RESOURCES, SEF CONSULTS SOURCES SUCH AS THE ANNUALLY COMPENSATION SURVEY PUBLISHED BY THE COUNCIL ON FOUNDATIONS, REPORTS IN THE CHRONICLE OF PHILANTHROPY, AND THE CHRONICLE OF HIGHER EDUCATION, RATHER THAN HIRING INDEPENDENT CONSULTANTS TO CONDUCT DETAILED COMPENSATION SURVEYS AND AUDITS. SEF BOARD MEMBERS AND STAFF, AS APPROPRIATE, ALSO CONSULT WITH PEER ORGANIZATIONS TO ASCERTAIN APPROPRIATE COMPENSATION RANGES FOR STAFF. MANY SEF BOARD MEMBERS SERVE, AS WELL, ON OTHER NON -PROFIT ORGANIZATIONAL BOARDS AND BRING THAT KNOWLEDGE AND PERSPECTIVE TO BEAR IN SETTING COMPENSATION FOR SEF STAFF. SEF'S FINANCE, AUDIT AND ADMINISTRATION COMMITTEE REVIEWS COMPENSATION AS PART OF THE ANNUAL BUDGET-SETTING CYCLE AND DETERMINES COMPENSATION OF THE PRESIDENT BASED UPON AN ANNUAL APPRAISAL OF PERFORMANCE. THAT APPRAISAL CONSIDERS ALL ASPECTS OF THE PRESIDENT'S WORK INCLUDING FUNDRAISING, MANAGEMENT, PROGRAM DEVELOPMENT AND IMPLEMENTATION, GOVERNANCE AND COMMUNICATIONS. SEF'S PRESIDENT APPRAISES THE PERFORMANCE OF OTHER SUBORDINATE SEF STAFF ANNUALLY. ALL SEF STAFF ARE PART OF A MERIT PAY PROGRAM IN WHICH THERE ARE NO AUTOMATIC OR COST OF LIVING INCREASES.

HOW THE ORGANIZATION MAKES DOCUMENTS AVAILABLE TO THE PUBLIC

PART VI, LINE 19

ALL SEF PUBLIC DOCUMENTS ARE AVAILABLE UPON REQUEST. ONCE A REQUEST IS

Name of the organization

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RECEIVED THE DOCUMENTS CAN BE SENT EITHER ELECTRONICALLY OR THROUGH THE
US POSTAL SYSTEM. THE 2011 CPA AUDIT, CONFLICT OF INTEREST POLICY AND
WHISTLEBLOWER POLICY CAN ALSO BE FOUND ON THE SEF WEB SITE IN THE "PUBLIC
DOCUMENTS LISTING"

OTHER CHANGES IN NET ASSETS OR FUND BALANCES

PART XI, LINE 5

NET UNREALIZED GAINS ON INVESTMENTS - (\$524,873).

ATTACHMENT 1FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

THE SOUTHERN EDUCATION FOUNDATION IS A NONPROFIT ORGANIZATION
COMPRISED OF DIVERSE WOMEN AND MEN WHO WORK TOGETHER TO IMPROVE THE
QUALITY OF LIFE FOR ALL OF THE SOUTH'S PEOPLE THROUGH BETTER AND MORE
ACCESSIBLE EDUCATION. SEF ADVANCES CREATIVE SOLUTIONS TO ENSURE
FAIRNESS AND EXCELLENCE IN EDUCATION FOR LOW INCOME STUDENTS FROM
PRESCHOOL THROUGH HIGHER EDUCATION. SEF DEVELOPS AND IMPLEMENTS
PROGRAMS OF ITS OWN DESIGN, SERVES AS AN INTERMEDIARY FOR DONORS WHO
WANT A HIGH-QUALITY PARTNER WITH WHOM TO WORK ON EDUCATION ISSUES IN
THE SOUTH, AND PARTICIPATES AS A PUBLIC CHARITY IN THE WORLD OF
PHILANTHROPY. SEF DEPENDS UPON CONTRIBUTIONS FROM FOUNDATIONS,
COPRORATIONS, AND INDIVIDUALS TO SUPPORT ITS EFFORTS.

ATTACHMENT 2FORM 990, PART VII, COLUMN B - ESTIMATED AVERAGE PER WEEK

NAME AND TITLE	HOURS DEVOTED FOR RELATED ORGANIZATION
DR. HAROLD MARTIN TRUSTEE	2.00

Name of the organization

SOUTHERN EDUCATION FOUNDATION, INC.

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ATTACHMENT 2 (CONT'D)

CYRUS JOLLIVETTE	
TRUSTEE	2.00
STEPHEN SUITTS	
VICE PRESIDENT	55.00
DR. CYRIL K. MCGUIRE	
CEO	50.00
LYNN WALKER-HUNTLEY	
CEO	10.00

ATTACHMENT 3

FORM 990, PART VIII - INVESTMENT INCOME

DESCRIPTION	(A) TOTAL REVENUE	(B) RELATED OR EXEMPT REVENUE	(C) UNRELATED BUSINESS REV.	(D) EXCLUDED REVENUE
DIVIDENDS	824,230.			824,230.
INTEREST	7,229.			7,229.
TOTALS	831,459.			831,459.

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed?				Yes <input type="checkbox"/> No <input type="checkbox"/>		24b If "Yes," is the evidence written?				Yes <input type="checkbox"/> No <input type="checkbox"/>	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)									25		
26 Property used more than 50% in a qualified business use											
		%									
		%									
		%									
27 Property used 50% or less in a qualified business use											
		%				S/L -					
		%				S/L -					
		%				S/L -					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1									28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1									29		

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2011 tax year (see instructions)					
43 Amortization of costs that began before your 2011 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

Form **4562****Depreciation and Amortization**
(Including Information on Listed Property)

OMB No 1545-0172

2011Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to your tax return

Attachment
Sequence No **179**

Name(s) shown on return

Identifying number

SOUTHERN EDUCATION FOUNDATION, INC.

13-5562388

Business or activity to which this form relates

GENERAL DEPRECIATION**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2010 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2012 Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	71,138.

Part III MACRS Depreciation (Do not include listed property) (See instructions)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2011	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2011 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property Enter amount from line 28	21	
22	Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instructions	22	71,138.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form **8868**

(Rev. January 2012)

Department of the Treasury
Internal Revenue Service**Application for Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒ **X**
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing (e-file) You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed)

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Enter filer's identifying number, see instructions

**Type or
print**File by the
due date for
filing your
return. See
instructions

Name of exempt organization or other filer, see instructions

Employer identification number (EIN) or

SOUTHERN EDUCATION FOUNDATION, INC.

☒ **X**

13-5562388

Number, street, and room or suite no. If a P.O. box, see instructions

Social security number (SSN)

135 AUBURN AVENUE NE

☐

City, town or post office, state, and ZIP code. For a foreign address, see instructions

ATLANTA, GA 30303

Enter the Return code for the return that this application is for (file a separate application for each return) ☐ 0 ☒ 1

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► TROY D. JOHNSON

Telephone No ► 404 523-0001

FAX No ► 404 523-6904

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 20 12, to file the exempt organization return for the organization named above. The extension is for the organization's return for
- ☒ **X** calendar year 20 11 or
- ☐ tax year beginning _____, 20 _____, and ending _____, 20 _____

- 2 If the tax year entered in line 1 is for less than 12 months, check reason ☐ Initial return ☐ Final return
- ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a \$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b \$
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c \$

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 1-2012)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions		Enter filer's identifying number, see instructions	
	SOUTHERN EDUCATION FOUNDATION, INC.		<input checked="" type="checkbox"/> 13-5562388	Employer identification number (EIN) or
	Number, street, and room or suite no. If a P O box, see instructions		<input type="checkbox"/>	Social security number (SSN)
	135 AUBURN AVENUE NE			
	City, town or post office, state, and ZIP code For a foreign address, see instructions			
	ATLANTA, GA 30303			

Enter the Return code for the return that this application is for (file a separate application for each return) ☐ 0 ☒ 1

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ☒ TROY D. JOHNSON
Telephone No ☒ 404 523-0001 FAX No ☒ 404 523-6904
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

- I request an additional 3-month extension of time until 11/15, 2012
- For calendar year 2011, or other tax year beginning , 20 , and ending , 20
- If the tax year entered in line 5 is for less than 12 months, check reason ☐ Initial return ☐ Final return
☐ Change in accounting period
- State in detail why you need the extension ADDITIONAL TIME IS NEEDED TO GATHER INFORMATION IN ORDER TO PREPARE A COMPLETE AND ACCURATE TAX RETURN

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	8a \$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b \$
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	8c \$

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature Title Date