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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)

OMB No 1545-0047

2011

Open to Public Inspection

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

A For the **2011** calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization POTOMAC RIVERKEEPER INC		D Employer identification number 54-1982624
	Doing Business As		
	Number and street (or P O box if mail is not delivered to street address)	Room/suite	E Telephone number 202-222-0707
	1100 15TH STREET NW	11 FL	
City or town, state or country, and ZIP + 4 WASHINGTON, DC 20005		G Gross receipts \$ 733,142.	
F Name and address of principal officer: EDWIN MERRIFIELD SAME AS C ABOVE		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
J Website: WWW.POTOMACRIVERKEEPER.ORG		H(c) Group exemption number ▶	
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 2000	
		M State of legal domicile MD	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities PROTECT AND RESTORE WATER QUALITY IN THE POTOMAC RIVER WATERSHED	
	2 Check this box <input type="checkbox"/> 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 14
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4 14
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5 10
	6 Total number of volunteers (estimate if necessary)	6 300
Revenue	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a 0.
	b Net unrelated business taxable income from Form 990-T, line 34	7b 0.
	8 Contributions and grants (Part VIII, line 1h)	Prior Year 599,309. Current Year 684,804.
	9 Program service revenue (Part VIII, line 2g)	0. 0.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	187. <6.>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,250. 654.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 2)	600,746. 685,452.
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0. 0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0. 0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	479,388. 577,399.
Expenses	16a Professional fundraising fees (Part IX, column (A), line 11e)	7,296. 27,000.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 81,019.	
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	142,165. 133,640.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	628,849. 738,039.
19 Revenue less expenses. Subtract line 18 from line 12	<28,103.> <52,587.>	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 322,704. End of Year 261,510.
	21 Total liabilities (Part X, line 26)	31,352. 22,745.
	22 Net assets or fund balances. Subtract line 21 from line 20	291,352. 238,765.

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	<i>Linda J. Collyer</i> Signature of officer	11/12/12 Date
	LINDA J. COLLYER, TREASURER Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name LINDA J. COLLYER	Preparer's signature <i>Linda J. Collyer</i>
	Firm's name ▶ SNYDER COHN, PC	Date 11/12/12
	Firm's address ▶ 11200 ROCKVILLE PIKE, SUITE 415 NORTH BETHESDA, MD 20852	Check if self-employed <input type="checkbox"/> PTIN P00086889
		Firm's EIN ▶ 52-1022232
		Phone no 301-652-6700

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

SCANNED DEC 13 2012

914 14

Part III Statement of Program Service Accomplishments

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

X

1 Briefly describe the organization's mission: THE MISSION OF THE POTOMAC RIVERKEEPER IS TO PROTECT AND RESTORE WATER QUALITY IN THE POTOMAC RIVER AND ITS TRIBUTARIES THROUGH COMMUNITY ACTION AND ENFORCEMENT.

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 [X] No

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

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 \$ 332,959. including grants of \$) (Revenue \$) SERVED THE GREATER DC AREA, MD, VA, WV AND PA BY STOPPING POLLUTION AND IMPROVING WATER QUALITY THROUGH ENFORCEMENT OF THE CLEAN WATER ACT AND OTHER LAWS: AMONG OTHER ACTIONS, WE 1) FILED SUIT AGAINST OX PAPERBOARD--THE COMPANY HAD BEEN VIOLATING ITS POLLUTION PERMITS FOR AT LEAST FOUR YEARS, RELEASING POLLUTANTS THAT CAUSE FISH KILLS AND OTHER ENVIRONMENTAL PROBLEMS IN THE SHENANDOAH RIVER. THE AVERAGE VIOLATION FOR ONE MEASURE OF POLLUTION WAS NEARLY 3000% MORE THAN PERMITS ALLOWED; 2) CONTINUED WORK ON THE GREEN FARMS CLEAN RIVERS PROGRAM SURVEYING OVER 1,000 FARMS IN THE SHENANDOAH VALLEY AND FILING 10 AGRICULTURAL STEWARDSHIP ACT COMPLAINTS WHICH RESULTED IN MANY FARMS INSTITUTING REMEDIATION STRATEGIES TO IMPROVE FARMING PRACTICES IN ORDER TO CLEAN UP THE RIVER; 3) ENGAGED THE PRO BONO LEGAL SERVICES OF

4b (Code) (Expenses \$ 175,903. including grants of \$) (Revenue \$) INCREASED OUR EFFORTS TO ENHANCE COMMUNITY ENGAGEMENT AND HELP SPREAD THE WORD ON THE IMPORTANCE OF PROTECTING THE HEALTH OF OUR RIVERS AND STREAMS: 1)WE KICKED OFF OUR PURE POTOMAC INITIATIVE FOCUSING OUR MESSAGING ON THE IMPORTANCE OF CLEAN DRINKING WATER, AND CALLING ATTENTION TO THE DANGERS OF UNUSED PHARMACEUTICALS AND ENDOCRINE DISRUPTORS IN OUR LOCAL DRINKING SUPPLIES; 2) PARTNERED WITH CLYDE'S RESTAURANT GROUP TO DISTRIBUTE OVER 100,000 COASTERS THAT HIGHLIGHTED THE IMPORTANCE OF HEALTHY RIVERS AND STREAMS TO PROTECT OUR DRINKING WATER; 3) PARTNERED WITH CALLEVA ON A MEMBERSHIP DRIVE DURING THEIR ONLINE SUMMER CAMP REGISTRATION; 4) PARTNERED WITH LOCAL CVS PHARMACIES AND MOM'S ORGANIC MARKETS TO PROMOTE NATIONAL DRUG TAKE BACK DAY ENCOURAGING CITIZENS TO DIRECTLY IMPACT THE HEALTH OF THE POTOMAC RIVER

4c (Code) (Expenses \$ 119,363. including grants of \$) (Revenue \$) PATROLLED WATERWAYS AND RECEIVED REPORTS FROM VOLUNTEER RIVERWATCHERS TO IDENTIFY POLLUTION PROBLEMS THROUGHOUT THE WATERSHED: 1)RIVERKEEPERS AND STAFF REGULARLY PATROLLED MOST PORTIONS OF THE POTOMAC RIVER AND THE SHENANDOAH RIVER; 2) VOLUNTEER RIVERWATCHERS HELPED MONITOR OTHER PORTIONS OF THE WATERSHED; 3) RECEIVED AND RESPONDED TO HUNDREDS OF POLLUTION REPORTS INVOLVING SICK FISH, FISH KILLS, POLLUTION, AND ALGAE.

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 628,225.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		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? <i>If "Yes," complete Schedule C, Part III</i>		X
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? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		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? <i>If "Yes," complete Schedule D, Part VI</i>	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? <i>If "Yes," complete Schedule D, Part VII</i>		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? <i>If "Yes," complete Schedule D, Part VIII</i>		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? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	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)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i>		

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

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a-14b regarding Form 1096, Form W-2G, backup withholding, Form W-3, unrelated business gross income, foreign accounts, prohibited tax shelter transactions, annual gross receipts, Form 8282, Form 8899, Form 1098-C, Form 990 in lieu of Form 1041, Form 720, and Form 709.

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

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

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 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?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 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?; 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

Table with 2 columns: Question, Answer. Rows include: 17 List the states with which a copy of this Form 990 is required to be filed MD, DC, PA, WV, VA; 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: POTOMAC RIVERKEEPER INC - 202-222-0707, 1100 15TH STREET NW 11TH FLOOR, WASHINGTON, DC 20005

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

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

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. 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			
(1) AVIS OGILVY MOORE DIRECTOR	1.00	X						0.	0.	0.
(2) MAC THORNTON CHAIR	5.00	X						0.	0.	0.
(3) G. CABELL WILLIAMS VICE CHAIR	2.00	X						0.	0.	0.
(4) BRENT BLACKWELDER DIRECTOR	1.00	X						0.	0.	0.
(5) SALLY DAVIDSON DIRECTOR	1.00	X						0.	0.	0.
(6) PETER BROSS DIRECTOR	1.00	X						0.	0.	0.
(7) PAT MUNOZ DIRECTOR	1.00	X						0.	0.	0.
(8) ANDREA YOUNG DIRECTOR	1.00	X						0.	0.	0.
(9) JOHN GIBSON DIRECTOR	1.00	X						0.	0.	0.
(10) KEN DELASKI DIRECTOR	1.00	X						0.	0.	0.
(11) LINDA COLLYER TREASURER	2.00	X		X				0.	0.	0.
(12) STANLEY OAKS SECRETARY	2.00	X		X				0.	0.	0.
(13) CHRISTINA NICHOLS DIRECTOR	1.00	X						0.	0.	0.
(14) DAN RUSSELL DIRECTOR	1.00	X						0.	0.	0.
(15) MIKE SENATORE DIRECTOR	1.00	X						0.	0.	0.
(16) EDWIN MERRIFIELD PRESIDENT/EXEC. DIRECTOR/R	55.00			X				87,500.	0.	16,542.
(17) ROBIN BRODER VICE PRESIDENT	50.00			X				66,500.	0.	18,402.

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			
1b Sub-total							154,000.	0.	34,944.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							154,000.	0.	34,944.	

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 **0**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
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? <i>If "Yes," complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		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
NONE		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of 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	1 a Federated campaigns	1a 12,340.				
	b Membership dues	1b 38,960.				
	c Fundraising events	1c 41,731.				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 591,773.				
	g Noncash contributions included in lines 1a-1f \$	22,052.				
	h Total. Add lines 1a-1f	▶	684,804.			
	Program Service Revenue	2 a _____	Business Code			
b _____						
c _____						
d _____						
e _____						
f All other program service revenue						
g Total. Add lines 2a-2f		▶				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	▶	33.		33.	
	4 Income from investment of tax-exempt bond proceeds	▶				
	5 Royalties	▶				
	6 a Gross rents	(i) Real				
		(ii) Personal				
		b Less: rental expenses				
		c Rental income or (loss)				
	d Net rental income or (loss)	▶				
	7 a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less: cost or other basis and sales expenses				
		c Gain or (loss)				
	d Net gain or (loss)	▶	<39.>		<39.>	
	8 a Gross income from fundraising events (not including \$ 41,731. of contributions reported on line 1c). See Part IV, line 18	a 46,908.				
		b Less: direct expenses	b 46,908.			
c Net income or (loss) from fundraising events		▶	0.			
9 a Gross income from gaming activities. See Part IV, line 19		a				
b Less direct expenses	b					
c Net income or (loss) from gaming activities	▶					
10 a Gross sales of inventory, less returns and allowances	a 1,289.					
	b Less: cost of goods sold	b 635.				
	c Net income or (loss) from sales of inventory	▶	654.	654.		
Miscellaneous Revenue		Business Code				
11 a _____						
	b _____					
	c _____					
	d All other revenue					
	e Total. Add lines 11a-11d	▶				
12 Total revenue See instructions	▶	685,452.	654.	0.	<6.>	

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

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(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				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	154,000.	122,360.	8,400.	23,240.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	305,902.	291,184.	5,180.	9,538.
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	10,466.	9,411.	309.	746.
9 Other employee benefits	71,025.	63,866.	2,097.	5,062.
10 Payroll taxes	36,006.	32,377.	1,063.	2,566.
11 Fees for services (non-employees):				
a Management				
b Legal	1,266.	1,266.		
c Accounting	6,000.		6,000.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	27,000.			27,000.
f Investment management fees				
g Other	7,355.	4,166.	408.	2,781.
12 Advertising and promotion				
13 Office expenses	8,249.	6,831.	336.	1,082.
14 Information technology				
15 Royalties				
16 Occupancy	29,277.	26,409.	840.	2,028.
17 Travel	26,512.	24,066.	851.	1,595.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	6,380.	5,307.	1,073.	
23 Insurance	4,208.	2,331.	1,692.	185.
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 PRINTING AND REPRODUCTI	21,790.	17,521.	17.	4,252.
b BOAT EXPENSES	5,569.	5,569.		
c POSTAGE AND DELIVERY	5,059.	4,212.	17.	830.
d STAFF DEVELOPMENT	4,242.	4,242.		
e All other expenses	7,733.	7,107.	512.	114.
25 Total functional expenses. Add lines 1 through 24e	738,039.	628,225.	28,795.	81,019.
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 if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	149.	1	151.
	2 Savings and temporary cash investments	281,904.	2	176,636.
	3 Pledges and grants receivable, net	11,786.	3	63,373.
	4 Accounts receivable, net		4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net	612.	7	0.
	8 Inventories for sale or use	4,901.	8	3,717.
	9 Prepaid expenses and deferred charges	11,360.	9	1,170.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 60,244.		
	b Less: accumulated depreciation	10b 55,301.	11,323.	10c 4,943.
	11 Investments - publicly traded securities	147.	11	4,498.
	12 Investments - other securities See Part IV, line 11	0.	12	0.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	522.	15	7,022.
16 Total assets. Add lines 1 through 15 (must equal line 34)	322,704.	16	261,510.	
Liabilities	17 Accounts payable and accrued expenses	11,352.	17	19,274.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	20,000.	23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	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	3,471.
	26 Total liabilities. Add lines 17 through 25	31,352.	26	22,745.
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	177,504.	27	161,517.
	28 Temporarily restricted net assets	113,848.	28	77,248.
	29 Permanently restricted net assets		29	
	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	291,352.	33	238,765.
	34 Total liabilities and net assets/fund balances	322,704.	34	261,510.

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	685,452.
2	Total expenses (must equal Part IX, column (A), line 25)	2	738,039.
3	Revenue less expenses. Subtract line 2 from line 1	3	<52,587.>
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	291,352.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0.
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	238,765.

Part XII Financial Statements and Reporting

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

- 1 Accounting method used to prepare the Form 990 Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

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

Form 990 (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.")						
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						
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 Public support. Subtract line 5 from line 4						

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						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) **12**

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	%

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

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

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

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

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

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

(Complete only if you checked the box on line 9 of Part I 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.")	442,540.	490,990.	547,416.	599,309.	684,804.	2765059.
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		709.	639.	2,111.	1,289.	4,748.
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	442,540.	491,699.	548,055.	601,420.	686,093.	2769807.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	78,359.	59,836.	83,271.	101,963.	113,400.	436,829.
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						0.
c Add lines 7a and 7b	78,359.	59,836.	83,271.	101,963.	113,400.	436,829.
8 Public support. (Subtract line 7c from line 6)						2332978.

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	442,540.	491,699.	548,055.	601,420.	686,093.	2769807.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	11,097.	7,369.	524.	187.	<6.>	19,171.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	11,097.	7,369.	524.	187.	<6.>	19,171.
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)	453,637.	499,068.	548,579.	601,607.	686,087.	2788978.

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	83.65 %
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	85.24 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	.69 %
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	1.08 %

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

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

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

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 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

Name of the organization

POTOMAC RIVERKEEPER INC

Employer identification number

54-1982624

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).

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

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

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

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 ▶ \$ _____

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if 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					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment _____ %
 - b Permanent endowment _____ %
 - c Temporarily restricted endowment _____ %
- 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
- | | Yes | No |
|---|--------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 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				
c Leasehold improvements				
d Equipment				
e Other		60,244.	55,301.	4,943.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c))				4,943.

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. (Col (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. (Col (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) DUE TO EARTHKORP INC (HELD AS	
(3) FISCAL AGENT)	3,471.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	
	3,471.

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

2. 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	685,452.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	738,039.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	<52,587.>
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	<52,587.>

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	2,602,960.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	1,883,429.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	34,079.
e	Add lines 2a through 2d	2e	1,917,508.
3	Subtract line 2e from line 1	3	685,452.
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	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	685,452.

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

1	Total expenses and losses per audited financial statements	1	2,655,547.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	1,883,429.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	34,079.
e	Add lines 2a through 2d	2e	1,917,508.
3	Subtract line 2e from line 1	3	738,039.
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	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	738,039.

Part XIV Supplemental Information

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

PART XII, LINE 2D - OTHER ADJUSTMENTS:

DIRECT EXPENSES FOR FUNDRAISING EVENT 34,079.

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

DIRECT EXPENSES FOR FUNDRAISING EVENT 34,079.

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col (c))	
		ANNUAL GALA (event type)	FISHING RODEO (event type)	1 (total number)		
Revenue	1	Gross receipts	76,879.	10,016.	1,744.	88,639.
	2	Less: Charitable contributions	37,749.	2,238.	1,744.	41,731.
	3	Gross income (line 1 minus line 2)	39,130.	7,778.		46,908.
Direct Expenses	4	Cash prizes				
	5	Noncash prizes	12,829.			12,829.
	6	Rent/facility costs	2,900.			2,900.
	7	Food and beverages	15,204.	3,500.		18,704.
	8	Entertainment	1,100.			1,100.
	9	Other direct expenses	7,097.	4,278.		11,375.
	10	Direct expense summary Add lines 4 through 9 in column (d)				(46,908)
	11	Net income summary. Combine line 3, column (d), and line 10				0.

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

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

9 Enter the state(s) in which the organization operates gaming activities _____
 a Is the organization licensed to operate gaming activities in each of these states? Yes No
 b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
 b If "Yes," explain: _____

- 11 Does the organization operate gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity operated in:

13a		%
13b		%
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____.

c If "Yes," enter name and address of the third party.

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

- Director/officer Employee Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE G, PART I, LINE 2B, COLUMN (V): FUNDRAISER DID NOT DIRECTLY SOLICIT, BUT PROVIDED TRAINING AND CONSULTATION

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization: **POTOMAC RIVERKEEPER INC**
Employer identification number: **54-1982624**

Part I	Types of Property	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1	Art - Works of art				
2	Art - Historical treasures				
3	Art - Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles	X	1	1,800.	MARKET VALUE
7	Boats and planes	X	1	4,700.	MARKET VALUE
8	Intellectual property				
9	Securities - Publicly traded				
10	Securities - Closely held stock				
11	Securities - Partnership, LLC, or trust interests				
12	Securities - Miscellaneous				
13	Qualified conservation contribution - Historic structures				
14	Qualified conservation contribution - Other				
15	Real estate - Residential				
16	Real estate - Commercial				
17	Real estate - Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▶ (ITEMS FOR AUC)	X	38	12,829.	SELLING PRICE
26	Other ▶ (BOAT MOORING)	X	1	1,428.	MARKET VALUE
27	Other ▶ (TRAVEL SERVIC)	X	1	775.	MARKET VALUE
28	Other ▶ (SMALL EQUIPME)	X	1	520.	MARKET VALUE

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

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? b If "Yes," describe the arrangement in Part II.		X
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?		X
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? b If "Yes," describe in Part II.		X
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule M (Form 990) (2011)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011
Open to Public
Inspection

Name of the organization

POTOMAC RIVERKEEPER INC

Employer identification number

54-1982624

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

ONE OF THE LARGEST LAW FIRMS IN THE COUNTRY TO FIGHT A PROPOSED TOXIC MIXING ZONE THAT WOULD RESULT FROM A PROPOSED INCINERATOR IN FREDERICK COUNTY--IF APPROVED, THIS FACILITY WOULD DISCHARGE BETWEEN 240,000 AND 670,000 GALLONS OF WATER WITH CONCENTRATED POLLUTANTS PER DAY INTO THE POTOMAC RIVER.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS:

BY COLLECTING AND RETURNING UNUSED PHARMACEUTICALS.

FORM 990, PART VI, SECTION B, LINE 11: THE TAX RETURN IS PREPARED BY THE TREASURER AND REVIEWED BY THE FINANCE COMMITTEE, WHICH CONSISTS OF 3 OTHER BOARD MEMBERS AND THE PRESIDENT AND VICE PRESIDENT. AFTER THIS REVIEW, OTHER BOARD MEMBERS ARE SENT A COPY OF THE TAX RETURN BY EMAIL AND ASKED FOR COMMENTS AND/OR QUESTIONS BEFORE SUBMISSION OF THE RETURN.

FORM 990, PART VI, SECTION B, LINE 12C: CONFLICT OF INTEREST POLICY IS DISSEMINATED TO THE BOARD ANNUALLY AND MEMBERS ARE ASKED TO SIGN A FORM STATING THAT THEY ARE IN COMPLIANCE.

FORM 990, PART VI, SECTION B, LINE 15: COMPENSATION FOR THE PRESIDENT/RIVERKEEPER IS APPROVED BY THE ENTIRE BOARD AFTER THE RECOMMENDATION OF THE FINANCE COMMITTEE. THE FINANCE COMMITTEE USES COMPARABILITY DATA FOR SIMILAR-SIZED ORGANIZATIONS (BY BUDGET AND BY NUMBER OF EMPLOYEES) TO PROPOSE THE PRESIDENT'S COMPENSATION.

Name of the organization

POTOMAC RIVERKEEPER INC

Employer identification number

54-1982624

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION KEEPS ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ON FILE AND FURNISHES THEM UPON REQUEST.

POTOMAC RIVERKEEPER, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2011 & 2010

RONALD H. THOMAS
CERTIFIED PUBLIC ACCOUNTANT

**RONALD H. THOMAS
CERTIFIED PUBLIC ACCOUNTANT
POTOMAC, MD 20854
301-983-0330**

REPORT OF INDEPENDENT AUDITOR

Board of Directors
POTOMAC RIVERKEEPER, INC.
1100 15th Street, NW
11th Floor
Washington, DC 20005

We have audited the accompanying Statements of Financial Position of Potomac Riverkeeper, Inc. as of December 31, 2011 and 2010 and the related Statements of Activities and Changes in Net Assets, Functional Expenses, and Cash Flows for the years then ended. These financial statements are the responsibility of Potomac Riverkeeper, Inc. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Potomac Riverkeeper, Inc. as of December 31, 2011 and 2010 and its activities and changes in net assets and its cash flows for the years then ended and are in conformity with accounting principles generally accepted in the United States of America.


Ronald H. Thomas
Certified Public Accountant
Potomac, Maryland

October 5, 2012

POTOMAC RIVERKEEPER, INC.
STATEMENTS OF FINANCIAL POSITION
For the Period Ended December 31, 2011 and 2010

	2011	2010
ASSETS		
Current Assets		
Cash, Cash Equivalents and Petty Cash	\$ 176,786	\$ 282,054
Other Receivables	1,171	7,201
Investments	4,498	147
Inventory	3,717	4,901
Prepaid Expenses	-	4,159
Due From EarthKorps Pass-through	-	613
Donations Receivable	63,373	11,786
Total Current Assets	249,545	310,861
Fixed Assets		
Furniture and Equipment	66,743	60,243
Less Accumulated Depreciation	55,301	48,921
Net Fixed Assets	11,442	11,322
Other Assets		
Security Deposit	522	522
Total Other Assets	522	522
Total Assets	\$ 261,509	\$ 322,705
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	\$ 10,919	\$ 2,785
Note Payable	-	20,000
EarthKorps Pass-through	3,471	-
Payroll Liabilities	8,355	8,568
Total Liabilities	22,745	31,353
Net Assets		
Unrestricted Assets	74,017	40,004
Temporarily Restricted Assets	77,248	113,848
Reserve for Liquidity	87,500	137,500
Total Net Assets	238,765	291,352
Total Liabilities and Net Assets	\$ 261,510	\$ 322,705

The accompanying notes are an integral part of this statement.

POTOMAC RIVERKEEPER, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Period Ended December 31, 2011 and 2010

	2011			2010	
	Unrestricted	Temporarily Restricted	Reserve For Liquidity	Total	Total
SUPPORT AND REVENUE					
Contributions and Grants	\$ 536,380	\$ 65,000	\$ -	\$ 601,380	\$ 513,100
Membership Dues	38,970			38,970	38,884
Investment Income	33			33	39
Special Events	75,810			75,810	70,795
Sale of Merchandise	654			654	1,250
Sale of Assets	(39)			(39)	148
In-kind Contributions	1,886,152			1,886,152	968,084
Net Assets Released From Restricted	151,600	(101,600)	(50,000)	-	-
Total Support and Revenue	\$ 2,689,560	\$ (36,600)	\$ (50,000)	\$ 2,602,960	\$ 1,592,300
EXPENSES					
Program Expenses	\$ 2,510,202			\$ 2,510,202	\$ 1,495,355
Management Expenses	37,031			37,031	43,929
Fundraising Expenses	108,314			108,314	81,119
Total Expenses	\$ 2,655,547	\$ -	\$ -	\$ 2,655,547	\$ 1,620,403
CHANGE IN NET ASSETS	\$ 34,013	\$ (36,600)	\$ (50,000)	\$ (52,587)	\$ (28,103)
NET ASSETS AT JANUARY 1	\$ 40,004	\$ 113,848	\$ 137,500	\$ 291,352	\$ 319,455
NET ASSETS AT DECEMBER 31	\$ 74,017	\$ 77,248	\$ 87,500	\$ 238,765	\$ 291,352

The accompanying notes are an integral part of this statement.

POTOMAC RIVERKEEPER, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Period Ended December 31, 2011 and 2010

	2011			2010	
	Program Services	Management Expenses	Fundraising Expenses	Total Expenses	Total Expenses
Payroll and Benefits	\$ 519,197	\$ 17,049	\$ 41,152	577,398	\$ 479,386
Equipment & Supplies	1,570	4	11	1,585	2,529
Insurance	2,331	1,692	185	4,208	3,553
Board Expenses	0	466	0	466	347
Boat Maintenance	5,569	-	-	5,569	5,865
Legal	1,876,295	-	-	1,876,295	950,715
Office Operations and Supplies	6,831	336	1,082	8,249	7,405
Postage and Delivery	4,212	17	830	5,059	5,723
Printing and Reproduction	17,521	17	4,252	21,790	24,284
Professional Services	4,166	14,809	29,781	48,756	34,184
Rent and Utilities	26,409	840	2,028	29,277	21,412
Special Event Expenses	6,783	-	27,361	34,144	28,242
Staff Development	4,242	-	-	4,242	1,460
Strategic Planning	-	-	-	-	15,591
Telephone	3,200	42	103	3,345	3,121
Travel	24,066	851	1,530	26,447	23,687
Volunteer Equipment and Supplies	2,337	-	-	2,337	2,238
Total Expenses Before Depreciation	\$ 2,504,729	\$ 36,123	\$ 108,315	\$ 2,649,167	\$ 1,609,742
Depreciation Expense	\$ 5,474	\$ 906	\$ -	\$ 6,380	\$ 10,661
TOTAL EXPENSES	\$ 2,510,203	\$ 37,029	\$ 108,315	\$ 2,655,547	\$ 1,620,403

The accompanying notes are an integral part of this statement.

POTOMAC RIVERKEEPER, INC.
STATEMENTS OF CASH FLOWS
For the Period Ended December 31, 2011 and 2010

	2011	2010
CASH PROVIDED FROM OPERATING ACTIVITIES		
Excess of Revenue or (Expenses)	\$ (15,987)	\$ (24,451)
Other Receivables		
Adjustments to reconcile excess of revenue over expenses to net cash provided by operating activities:		
Buy/Sale of Investments	(4,352)	5,124
Decrease/Increase in Inventory	1,184	(522)
Increase/Decrease in Receivables	(45,557)	29,414
Decrease/ Increase in Prepaid Expenses	4,159	(844)
Donated Property	(6,500)	(2,387)
Non-cash Depreciation	6,380	10,661
Increase in Accounts Payable	8,135	1,405
Decrease in Due to Fish Kill Task Force	0	(203)
Change in EarthKorps Pass-through	4,084	(613)
Decrease/Increase in Payroll Taxes Payable	(214)	2,953
Decrease in Loan Payable	(20,000)	0
Decrease in Temporarily Restricted Assets	(36,600)	(3,652)
Net Cash from Reconciled Items	\$ (89,281)	\$ 41,336
CHANGE IN CASH AND CASH EQUIVALENTS	\$ (105,268)	\$ 16,885
CASH AT BEGINNING OF YEAR	\$ 282,054	\$ 265,169
CASH AT END OF YEAR	\$ 176,786	\$ 282,054

The accompanying notes are an integral part of this statement.

POTOMAC RIVERKEEPER, INC.
NOTES TO FINANCIAL STATEMENTS
For the Period Ended December 31, 2011 and 2010

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization –

Potomac Riverkeeper, Inc. (a Maryland Corporation) was formed in the year 2000 as a public charity under section 501(c) (3) of the Internal Revenue Code. The Organization's mission is to protect and restore water quality in the Potomac River and its tributaries through community action and enforcement. The Organization serves the greater DC area, Maryland, West Virginia, Pennsylvania, and Virginia to improve water quality through education, pollution monitoring, public awareness and enforcement of clean water laws.

Basis of Presentation –

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles using the accrual basis of accounting. Potomac Riverkeeper, Inc. distinguishes between unrestricted, temporarily restricted, and permanently restricted net assets based upon the existence or absence of restrictions in use (see note on Net Asset Classification).

Income Taxes –

The Organization is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Organization files an annual information return "Form 990". Potomac Riverkeeper, Inc. is not a private foundation.

Tax returns for 2009, 2010, and 2011 are available for examination.

Cash and Cash Equivalents –

Potomac Riverkeeper, Inc. considers all cash and other highly liquid investments to be cash equivalents.

Furniture and Equipment –

Furniture and equipment are stated at cost. Depreciation is recorded on the straight-line method over the estimated useful life; generally five to seven years. Potomac Riverkeeper, Inc.'s assets include a boat purchased to be used for its exempt purpose.

Contributions and Grants –

Contributions and grants are recorded as revenue in the year designated by the donor. Contributions and grants which have donor imposed restrictions are classified as temporarily restricted revenue in the accompanying Statements of Activities and Changes in Net Assets. Contributions and grants are recognized as unrestricted

POTOMAC RIVERKEEPER, INC.
NOTES TO FINANCIAL STATEMENTS
For the Period Ended December 31, 2011 and 2010

revenue upon either the completion of the program or by the passage of time in compliance with donor-imposed restrictions.

Pledges –

Promises to give are recorded in the year actually received from the donor.

In-Kind Contributions –

Use of Estimates –

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Allocation of Functional Expenses –

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Net Asset Classification –

The net assets are reported in three, self-balancing groups as follows:

1. Unrestricted net assets include unrestricted revenue and contributions received without donor-imposed restrictions or previously restricted assets that have been released from their restrictions. These net assets are available for the general operation of the Organization and include both internally designated and undesignated resources.
2. Temporarily-restricted net assets include revenue and contributions that have been designated for the subsequent fiscal year by management. When the

POTOMAC RIVERKEEPER, INC.
NOTES TO FINANCIAL STATEMENTS
For the Period Ended December 31, 2011 and 2010

funds are released for use, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Change in Net Assets as net assets released from restrictions.

3. The Reserve for Liquidity Assets includes revenue and contributions that have been designated as a reserve by the Board of Directors. The reserve was established to cover three months of operating expenses in the event that other financial resources are not available. If the Board of Directors releases these funds, the Reserve for Liquidity Assets will be reclassified to unrestricted net assets and reported in the Statements of Activities and Change in Net Assets as net assets released from restrictions.

Note Payable –

In May 2006, Potomac Riverkeeper, Inc. borrowed \$20,000 for the purchase of a boat. The note was for five years with an annual interest rate of 2%. The interest was paid annually. There were stipulations that the funds be used for the Organization's exempt purpose. This note was paid off in May 2011.

Lease Agreement –

In July 2011, Potomac Riverkeeper, Inc. entered into a one-year, sub-lease agreement for office space of \$2,497.45 a month. The landlord also charges for additional services provided.

403(b) Employer Contributory Plan –

Potomac Riverkeeper, Inc. has adopted a 403(b) Employer Contributory Plan. Employees may contribute up to \$16,500 annually or \$22,000 if over age 50. The Organization plans to match a discretionary amount annually. In 2011 and 2010, the Organization matched contributions up to 3% of salary.

Management Evaluation –

Management has evaluated the financial statements as of October 5, 2012, the date the statements were available to be issued.

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

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).

		Enter filer's identifying number, see instructions
Type or print	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
File by the due date for filing your return See instructions	POTOMAC RIVERKEEPER INC	<input checked="" type="checkbox"/> 54-1982624
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	1100 15TH STREET NW, NO. 11 FL	<input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	WASHINGTON, DC 20005	

Enter the Return code for the return that this application is for (file a separate application for each return) 01

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.

POTOMAC RIVERKEEPER INC

• The books are in the care of 1100 15TH STREET NW 11TH FLOOR - WASHINGTON, DC 20005

Telephone No. 202-222-0707 FAX No.

• 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

4 I request an additional 3-month extension of time until NOVEMBER 15, 2012.

5 For calendar year 2011, or other tax year beginning _____, and ending _____.

6 If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return

Change in accounting period

7 State in detail why you need the extension

THE ANNUAL AUDIT IS NOT YET COMPLETED AND ADDITIONAL INFORMATION IS NEEDED IN ORDER TO COMPLETE THE 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	\$	0.
8b 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	\$	0.
8c 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	\$	0.

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 **TREASURER** Date