Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2011

For calendar year 2011 or tax year beginning , 2011, and ending , 20

Name of foundation: Herscher Foundation, Inc.

A Employer identification number: 55-6018744

Number and street (or P O box number if mail is not delivered to street address): 906 Kanawha Valley Bldg., 300 Capitol St.

Room/suite:

B Telephone number (see instructions): 304-346-9630

City or town, state, and ZIP code: Charleston, WV 25301

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 2,411,227

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

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☒ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	59,428	59,428		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	151,390			
	b	Gross sales price for all assets on line 6a 1,493,046				
	7	Capital gain net income (from Part IV, line 2)		151,390		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less: Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)	0			
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	210,818	210,818	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc.				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)	2,630	2,630		
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)	17,960	17,062		898
	17	Interest				
	18	Taxes (attach schedule) (see instructions)				
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	25			
	24	**Total operating and administrative expenses.** Add lines 13 through 23	20,615	19,692	0	898
	25	Contributions, gifts, grants paid	120,000			120,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	140,615	19,692	0	120,898
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	70,203			
	b	**Net investment income** (if negative, enter -0-)		191,126		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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

			Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	85,859	63,547	63,547
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)	175,001	0	0
	b	Investments—corporate stock (attach schedule)	1,901,563	2,170,358	2,251,342
	c	Investments—corporate bonds (attach schedule)	100,001	100,001	96,338
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment: basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions. Also, see page 1, item I)	2,262,424	2,333,906	2,411,227
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	1,948,545	1,948,545	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	313,879	385,361	
	30	**Total net assets or fund balances** (see instructions)	2,262,424	2,333,906	
	31	**Total liabilities and net assets/fund balances** (see instructions)	2,262,424	2,333,906	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	2,262,424
2	Enter amount from Part I, line 27a	2	70,203
3	Other increases not included in line 2 (itemize) ▶ Adj for acc. int.; class act. settlements	3	1,279
4	Add lines 1, 2, and 3	4	2,333,906
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	2,333,906

Part IV Capital Gains and Losses for Tax on Investment Income

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

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				0
b				
c				
d				
e				

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

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

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 }	2	151,390
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8	3	11,403

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

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

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

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

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	129,904	2,453,160	0.0530
2009	130,592	2,181,995	0.0598
2008	138,796	2,659,771	0.0522
2007	153,751	3,139,970	0.0490
2006	129,600	2,942,362	0.0440

2	**Total** of line 1, column (d)	2	0.2580
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.0516
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	2,577,215
5	Multiply line 4 by line 3	5	132,984
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,911
7	Add lines 5 and 6	7	134,895
8	Enter qualifying distributions from Part XII, line 4	8	120,000

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b		1	3,823
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3	Add lines 1 and 2		3	3,823
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-		5	3,823
6	Credits/Payments:			
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a 2,796		
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d		7	2,796
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached		8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	1,027
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	0
11	Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ▶	**Refunded** ▶	11	0

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		x
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		x
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		x
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ ________ **(2)** On foundation managers. ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		x
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		x
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		x
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		x
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	x	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	x	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ West Virginia			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	x	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		x
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		x

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		x
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		x
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	x	

Website address ▶ NA

14 The books are in care of ▶ United Bank Trust Dept. Telephone no. ▶ 304-348-8400

Located at ▶ United Center, Virginia St., Charleston, WV ZIP+4 ▶ 25301

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

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

			Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		x
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c		x
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☒ No If "Yes," list the years ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions.)	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2011 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		x
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b		x

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

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

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

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

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

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		

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

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	2,563,564
b	Average of monthly cash balances	1b	52,898
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	2,616,462
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	2,616,462
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see instructions)	4	39,247
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,577,215
6	**Minimum investment return.** Enter 5% of line 5	6	128,861

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

1	Minimum investment return from Part X, line 6			1	128,861
2a	Tax on investment income for 2011 from Part VI, line 5	2a	3,823		
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	3,823
3	Distributable amount before adjustments Subtract line 2c from line 1			3	125,038
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	125,038
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	125,038

Part XII **Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	120,000
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the.		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	120,000
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	120,000

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

Part XIII Undistributed Income (see instructions)

		(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1	Distributable amount for 2011 from Part XI, line 7				125,038
2	Undistributed income, if any, as of the end of 2011:				
a	Enter amount for 2010 only				
b	Total for prior years: 20___ , 20___ , 20___				
3	Excess distributions carryover, if any, to 2011:				
a	From 2006				
b	From 2007 1,132				
c	From 2008 10,851				
d	From 2009 22,508				
e	From 2010 8,638				
f	**Total** of lines 3a through e	43,129			
4	Qualifying distributions for 2011 from Part XII, line 4: ▶ $ 120,000				
a	Applied to 2010, but not more than line 2a				
b	Applied to undistributed income of prior years (Election required—see instructions)				
c	Treated as distributions out of corpus (Election required—see instructions)				
d	Applied to 2011 distributable amount				120,000
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2011 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	5,038			5,038
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	38,091			
b	Prior years' undistributed income. Subtract line 4b from line 2b		0		
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d	Subtract line 6c from line 6b. Taxable amount—see instructions		0		
e	Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f	Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				0
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8	Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9	**Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	38,091			
10	Analysis of line 9				
a	Excess from 2007				
b	Excess from 2008 6,945				
c	Excess from 2009 22,508				
d	Excess from 2010 8,638				
e	Excess from 2011				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	0	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter **(1)** Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0
c "Support" alternative test—enter: **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

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

1 Information Regarding Foundation Managers:

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

None

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

None

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

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

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

Charles L. Jarrell, 906 Kanawha Valley Bldg., 300 Capitol St., Charleston, WV 25301 (304)346-9630

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

No prescribed form. Proof of exempt status and all information relevant to proposed grant needed.

c Any submission deadlines:

None

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

Limited generally to state of WV and adjacent areas in Ohio; grants not made to individuals.

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See attached schedule				120,000
Total . . . . . . ▶ **3a**				120,000
b *Approved for future payment*				
Total . . . . . . ▶ **3b**				0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	(e) Related or exempt function income (See instructions)
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	59,428	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	151,390	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0		210,818	0

13 Total. Add line 12, columns (b), (d), and (e) 13 210,818

(See worksheet in line 13 instructions to verify calculations.)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
	N/A

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

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

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

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

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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

▶ [signature] 5/9/12 ▶ President

Signature of officer or trustee — Date — Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
John F. Allevato	[signature]	05/08/2012		P01083380
Firm's name ▶ Spilman Thomas & Battle, PLLC			Firm's EIN ▶ 55-0282458	
Firm's address ▶ P.O. Box 273, Charleston, WV 25321-0273			Phone no 304-340-3885	

HERSCHER FOUNDATION, INC.
E.I.N. 55-6018744
TAX YEAR 2011

FORM 990-PF

PART I - ANALYSIS OF REVENUE AND EXPENSES

Line 16a-Legal Fees	Preparation of Tax Returns and related legal services	$2,630
Line 16c-Other Professional Fees	United Bank, prof. mgt. fees	$17,960
Line 23-Other	WV license fee for corps.	$25

Herscher Foundation, Inc.
E.I.N. 55-6018744
Tax Year 2011
Form 990-PF

Part II-Balance Sheet-Line 10a-Investments in U.S. and Govt. Obligations:

	Beginning of Year		End of Year		
	Book Value		*Book Value*		*Fair Market Value*
FHLB 4 3% bond due 12/23/19	$	75,001	$	-	
FHLB 1.125% bond due 07/29/13	$	100,000	$	-	
Totals-Line 10a	**$**	**175,001**	**$**	**-**	**$ -**

Part II-Balance Sheet-Line 10b-Investments in Corporate Stocks:

	Beginning of Year		End of Year			
	Book Value		*Book Value*		*Fair Market Value*	
9661.563 units Pimco All Asset Fund	$	-	$	121,605	$	111,494
5311.746 units Pimco Emerging Local Bd Fund	$	-	$	58,625	$	53,383
303 shs ExxonMobil Corp.	$	9,448	$	9,448	$	25,682
369 shs Coca-Cola stock	$	21,408	$	21,408	$	25,819
2742.626 units TFS Market Neutral Fund	$	-	$	42,571	$	39,741
1000 shs. Goldman Sachs Grp.Pfd. Flt. Rt	$	25,001	$	-	$	-
4893.387 units Natixis Vaughn Nelson Small Cap fd	$	100,200	$	104,901	$	88,032
5349.599 units Royce Total Return Fund	$	95,944	$	62,774	$	67,619
295 shs. ITC Holdings Corp stock	$	-	$	20,097	$	22,385
275 shs McDonalds stock	$	-	$	26,415	$	27,591
326 shs. UPS stock	$	-	$	23,613	$	23,860
368 shs. KLA Tencor Corp stock	$	-	$	16,382	$	17,756
275 shs Microsoft Corp. stock	$	-	$	7,027	$	7,139
967 shs. Altria stock	$	17,508	$	17,509	$	28,671
490 shs. H.J Heinz stock	$	17,625	$	-	$	-
239 shs Chevron stock	$	17,597	$	17,597	$	25,430
323 shs. Kinder Morgan Energy Partners LP	$	17,614	$	17,614	$	27,439
7583.064 units Riverpark/Wedgewood Lg Cap Foc Fd	$	-	$	80,077	$	86,523
316 shs Abbott Labs stock	$	17,647	$	17,647	$	17,769
389 shs Deere & Co stock	$	19,108	$	19,108	$	30,089
339 shs. PPG Industries stock	$	18,897	$	18,897	$	28,303
688 shs. AT&T stock	$	17,619	$	17,619	$	20,805
082.708 units Cambiar Opp Fund	$	-	$	84,678	$	84,678
1335 shs. NY Community Bancorp stock	$	21,558	$	-	$	-
499 shs. Merck & Co stock	$	18,410	$	-	$	-
452 shs. Honeywell Intl Inc stock	$	18,079	$	18,079	$	24,566
337 shs. Intel Corp stock	$	6,942	$	-	$	-
382 shs. Oneok stock	$	10,697	$	-	$	-
17,020.247 units Federated Strategic Inc Fund	$	-	$	153,625	$	153,012
997.080 units Baron Growth Fund	$	49,190	$	35,547	$	51,200
11,220.337 units Federated Cap Apprec Fund	$	185,685	$	-	$	-
3519.039 units American Growth Fund of Amer.	$	76,215	$	-	$	-
7684.196 units Royce Micro Cap Inv Cl Fund	$	92,254	$	100,973	$	111,728
5604.462 units Natixis Loomis Sayles Inv Grade Bd	$	66,077	$	-	$	-
13,958.206 units T Rowe Price Hi Yld Fund	$	91,426	$	-	$	-
13,252.307 units Vanguard Div. Growth Fund	$	121,134	$	185,845	$	204,351
2485 777 units Diamond Hill Long Short Fund	$	-	$	42,388	$	42,084
609 690 units Driehaus Active Income Fund	$	-	$	63,059	$	56,153
5669.526 units Hatteras Alpha Hedged Strategies	$	-	$	58,906	$	59,530

Herscher Foundation, Inc.
E.I.N. 55-6018744
Tax Year 2011
Form 990-PF

	Beginning of Year Book Value	End of Year Book Value	End of Year Fair Market Value
13,402 386 units JPMChase Mtg Bk Sec Fund	$ 179,053	$ 152,696	$ 153,055
11,573 118 units Princeton Funds Futures Strategy	$ -	$ 123,574	$ 112,259
6776.345 units Pimco Global Bd Fd Hedged	$ 65,121	$ -	$ -
2561.879 units Acadian Emg. Mkts. Portfolio	$ 50,295	$ 42,815	$ 40,759
3733 178 units Harding Loevner Global Equity Fd	$ 110,780	$ 81,145	$ 82,653
1670.018 units Harbor Intl Fund	$ 96,589	$ 82,881	$ 87,592
3048.448 units Harding Loevner Emg Mkt. Portfolio	$ 139,163	$ 126,319	$ 129,163
12,523.214 units Manning Napier World Opp Fund	$ 107,279	$ 96,894	$ 83,029
Totals-Line 10b	**$ 1,901,563**	**$ 2,170,358**	**$ 2,251,342**

Part II-Balance Sheet-Line 10c-Investments in Corporate Bonds:

	Beginning of Year	End of Year	
	Book Value	*Book Value*	*Fair Market Value*
$50,000 Merrill Lynch Floating Rate	$ 50,000	$ 50,000	$ 46,243
$50,000 GE Div Fin. 5 45% bond due 02/15/2023	$ 50,001	$ 50,001	$ 50,095
Totals-Line 10c	**$ 100,001**	**$ 100,001**	**$ 96,338**

Herscher Foundation, Inc.
E.I.N. 55-6018744
Tax Year 2011
Form 990-PF

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

Description	Sold	Acquired	Proceeds	Cost	Gain/Loss Covered
** SHORT TERM CAPITAL GAIN (LOSS)					
151 SHARES OF HJ HEINZ CO COMMON	01/06/2011	02/26/2010	7,290 18	6,905.37	384.81
13958.206 SHARES OF T ROWE PRICE HIGH YIELD FUND INVESTOR CLASS CLOSED TO NEW INVESTORS	02/16/2011	08/25/2010	97,009.53	91,426.25	5,583.28
312 SHARES OF MERCK & CO INC NEW	02/17/2011	02/18/2010	10,210.43	11,567.32	1,356.89-
187 SHARES OF MERCK & CO INC NEW	02/17/2011	02/26/2010	6,119.72	6,842.37	722.65-
1335 SHARES OF NEW YORK COMMUNITY BANCORP INC COMMON	03/28/2011	05/19/2010	23,310.46	21,557.92	1,752.54
10905 125 SHARES OF FEDERATED STRATEGIC INCOME FUND #653 CLASS I	04/21/2011	02/16/2011	100,000.00	99,454.74	545.26
3562.06 SHARES OF JPMCHASE MORTGAGE - BACKED SECURITIES FUND	04/21/2011	08/25/2010	40,285.14	40,286.89	1.75-
351.965 SHARES OF PIMCO GLOBAL BOND FUND HEDGED	04/21/2011	02/16/2011	3,455.95	3,442.22	13.73
1301.236 SHARES OF VANGUARD DIVIDEND GROWTH FUND CLASS I	04/21/2011	08/25/2010	19,993.00	16,330.51	3,662.49
462.374 SHARES OF DRIEHAUS FUNDS ACTIVE INCOME FUND CLASS A (CLOSED TO NEW INVESTORS)	08/24/2011	04/21/2011	4,850.31	5,197.62	347.31-
2063.627 SHARES OF VANGUARD DIVIDEND GROWTH FUND CLASS I	08/24/2011	08/25/2010	29,241.60	25,898.52	3,343.08
850 SHARES OF DIAMOND HILL LONG SHORT FUND 11 CLASS I	08/24/2011	04/21/2011	13,557.50	14,494.28	936.78-
2.256 SHARES OF AMERICAN GROWTH FUND OF AMERICA CLASS F-2	08/24/2011	02/16/2011	63.51	72.49	8.98-
1192.031 SHARES OF PIMCO GLOBAL BOND FUND HEDGED	08/24/2011	02/16/2011	12,003.76	11,658.06	345.70
922 SHARES OF TFS MARKET NEUTRAL FUND	08/24/2011	04/21/2011	13,258.36	14,311.20	1,052.84-
364 SHARES OF ILLINOIS TOOL WORKS COMMON	11/18/2011	02/18/2011	16,381.60	20,089.41	3,707.81-
434.783 SHARES OF RIVERPARK/WEDGEWOOD LARGE CAP FOCUSED GROWTH FUND SHARE CLASS I	12/09/2011	08/24/2011	4,993.00	4,591.31	401.69
1022 SHARES OF TRUSTMARK CORP CORPORATION	12/07/2011	03/29/2011	22,726.23	23,338.47	612.24-
164 SHARES OF TRUSTMARK CORP CORPORATION	12/07/2011	09/22/2011	3,646.87	2,984.97	661.90
** TOTAL SHORT TERM CAPITAL GAIN (LOSS)			428,397.15	420,449.92	7,947.23
** LONG TERM CAPITAL GAIN (LOSS)					
339 SHARES OF	01/06/2011	03/11/2009	16,366.70	10,719.74	5,646.96

HJ HEINZ CO COMMON					
5324.183 SHARES OF FEDERATED CAPITAL APPRECIATION FUND #680 CLASS I	02/16/2011	08/27/2009	106,057.72	86,358.24	19,699.48
180.007 SHARES OF FEDERATED CAPITAL APPRECIATION FUND #680 CLASS I	02/16/2011	09/17/2009	3,585.74	2,973.72	612.02
91.789 SHARES OF BARON GROWTH FUND INSTITUTIONAL	02/16/2011	06/05/2009	5,010.76	3,204.40	1,806.36
1077.42 SHARES OF ROYCE TOTAL RETURN FUND - INST	02/16/2011	05/23/2008	14,825.30	13,756.35	1,068.95
5604.462 SHARES OF NATIXIS LOOMIS SAYLES FDS INV GRADE BOND FD CL Y TR II	02/16/2011	11/18/2009	68,094.22	66,076.60	2,017.62
382 SHARES OF ONEOK INC	02/17/2011	02/06/2009	23,825.34	10,697.36	13,127.98
75000 UNITS OF FHLB CALLABLE 12/23/10 @ 100 4.3% 12/23/2019	03/04/2011	12/08/2009	75,000.00	75,001.08	1.08-
337 SHARES OF INTEL CORP	03/28/2011	02/26/2010	6,943.33	6,941.87	1.46
508.906 SHARES OF FEDERATED CAPITAL APPRECIATION FUND #680 CLASS I	04/21/2011	09/17/2009	10,000.00	8,407.13	1,592.87
231.803 SHARES OF ACADIAN EMERGING MARKETS	04/21/2011	11/18/2009	4,993.00	3,792.30	1,200.70
154.416 SHARES OF AMERICAN GROWTH FUND OF AMERICA CLASS F-2	04/21/2011	04/24/2009	4,993.00	3,310.83	1,682.17
76.057 SHARES OF HARBOR INTERNATIONAL FUND	04/21/2011	04/24/2009	4,993.00	2,890.57	2,102.43
285.551 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS	04/21/2011	08/06/2009	14,993.00	10,697.28	4,295.72
10584.713 SHARES OF JPMCHASE MORTGAGE - BACKED SECURITIES FUND	04/21/2011	12/21/2009	119,707.86	116,008.46	3,699.40
6776.345 SHARES OF PIMCO GLOBAL BOND FUND HEDGED	04/21/2011	03/04/2010	66,537.05	65,120.68	1,416.37
1000 SHARES OF GOLDMAN SACHS GROUP INC FLOATING RATE SERIES A	04/20/2011	04/14/2005	22,860.52	25,000.62	2,140.10-
100000 UNITS OF FHLB CALLABLE 7/29/11 @ 100 1.125% 07/29/2013	07/29/2011	07/28/2010	100,000.00	100,000.14	0.14-
2337.721 SHARES OF FEDERATED CAPITAL APPRECIATION FUND #680 CLASS I	08/24/2011	09/17/2009	40,302.31	38,619.15	1,683.16
2869.52 SHARES OF FEDERATED CAPITAL APPRECIATION FUND #680 CLASS I	08/24/2011	11/18/2009	49,470.53	49,327.05	143.48
315.81 SHARES OF ACADIAN EMERGING MARKETS	08/24/2011	11/18/2009	5,605.63	5,166.65	438.98
164.077 SHARES OF BARON GROWTH FUND INSTITUTIONAL	08/24/2011	06/05/2009	8,088.99	5,728.02	2,360.97
233.698 SHARES OF HARBOR INTERNATIONAL FUND	08/24/2011	04/24/2009	12,939.86	8,881.77	4,058.09
449.726 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS	08/24/2011	08/06/2009	20,179.21	16,847.59	3,331.62
721.824 SHARES OF HARDING LOEVNER GLOBAL EQUITY	08/24/2011	03/04/2010	16,161.64	15,555.31	606.33
1655.037 SHARES OF MANNING AND NAPIER WORLD OPPORTUNITIES FUND #114 CLASS A	08/24/2011	08/26/2009	12,892.74	12,330.48	562.26
120.155 SHARES OF	08/24/2011	05/23/2008	2,407.90	2,704.69	296.79-

NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS					
910.916 SHARES OF ROYCE MICRO CAP INV CL FUND # 264	08/24/2011	08/06/2009	14,292.27	10,631.22	3,661.05
730.608 SHARES OF ROYCE TOTAL RETURN FUND - INST	08/24/2011	05/23/2008	8,876.89	9,328.30	451.41-
2560.693 SHARES OF AMERICAN GROWTH FUND OF AMERICA CLASS F-2	08/24/2011	04/24/2009	72,083.51	54,903.83	17,179.68
803.93 SHARES OF AMERICAN GROWTH FUND OF AMERICA CLASS F-2	08/24/2011	05/27/2009	22,630.62	17,999.99	4,630.63
297.442 SHARES OF ACADIAN EMERGING MARKETS	12/09/2011	11/18/2009	4,993.00	4,866.15	126.85
134.927 SHARES OF BARON GROWTH FUND INSTITUTIONAL	12/09/2011	06/05/2009	6,993.00	4,710.38	2,282.62
182.249 SHARES OF HARBOR INTERNATIONAL FUND	12/09/2011	04/24/2009	9,993.00	6,926.44	3,066.56
344.669 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS	12/09/2011	08/06/2009	14,993.00	12,911.96	2,081.04
867.679 SHARES OF HARDING LOEVNER GLOBAL EQUITY	12/09/2011	03/04/2010	19,993.00	18,698.48	1,294.52
681.199 SHARES OF MANNING AND NAPIER WORLD OPPORTUNITIES FUND #114 CLASS A	12/09/2011	08/26/2009	4,993.00	5,075.12	82.12-
706.547 SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS	12/09/2011	05/23/2008	14,993.00	15,904.37	911.37-
540.176 SHARES OF ROYCE MICRO CAP INV CL FUND # 264	12/09/2011	08/06/2009	7,993.00	6,304.34	1,688.66
789.889 SHARES OF ROYCE TOTAL RETURN FUND - INST	12/09/2011	05/23/2008	9,993.00	10,085.20	92.20-
973.394 SHARES OF VANGUARD DIVIDEND GROWTH FUND CLASS I	12/09/2011	08/25/2010	14,993.00	12,216.10	2,776.90
** TOTAL LONG TERM CAPITAL GAIN (LOSS)			1,064,648.64	956,679.96	107,968.68

** SHORT TERM CAPITAL GAINS DIVIDENDS

5604.462 BASIS SHARES OF NATIXIS LOOMIS SAYLES FDS INV GRADE BOND FD CL Y TR II					690.47
5720.089 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS					1,207.42
13204.413 BASIS SHARES OF MANNING AND NAPIER WORLD OPPORTUNITIES FUND #114 CLASS A					386.89
2742.626 BASIS SHARES OF TFS MARKET NEUTRAL FUND					539.20
5609.69 BASIS SHARES OF DRIEHAUS FUNDS ACTIVE INCOME FUND CLASS A (CLOSED TO NEW INVESTORS)					20.51
4893.387 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS					1,408.32
TOTAL LOSS FROM PARTNERSHIPS, S CORPORATIONS, OR OTHER FIDUCIARIES			797.16-	0.00	797.16-
** TOTAL SHORT TERM CAPITAL GAINS DIVIDENDS			797.16-	0.00	3,455.65

** LONG TERM CAPITAL GAINS DIVIDENDS

5604.462 BASIS SHARES OF NATIXIS LOOMIS SAYLES FDS INV GRADE BOND FD CL Y TR II			771.17
5720.089 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS			3,875.65
13204.413 BASIS SHARES OF MANNING AND NAPIER WORLD OPPORTUNITIES FUND #114 CLASS A			245.60
1132.007 BASIS SHARES OF BARON GROWTH FUND INSTITUTIONAL			933.91
7684.196 BASIS SHARES OF ROYCE MICRO CAP INV CL FUND # 264			5,363.37
5349.599 BASIS SHARES OF ROYCE TOTAL RETURN FUND - INST			784.19
2742.626 BASIS SHARES OF TFS MARKET NEUTRAL FUND			122.05
12523.214 BASIS SHARES OF MANNING AND NAPIER WORLD OPPORTUNITIES FUND #114 CLASS A			3,607.94
3733.178 BASIS SHARES OF HARDING LOEVNER GLOBAL EQUITY			820.95
4893.387 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS			14,455.07
TOTAL GAIN FROM PARTNERSHIPS, S CORPORATIONS, OR OTHER FIDUCIARIES	1,038.80	0.00	1,038.80
** TOTAL LONG TERM CAPITAL GAINS DIVIDENDS	1,038.80	0.00	32,018.70

SUMMARY

Description	Amount
** SUMMARY OF CAPITAL GAINS AND LOSSES **	
TOTAL SHORT TERM CAPITAL GAIN (LOSS)	7,947.23
TOTAL SHORT TERM CAPITAL GAINS DIVIDENDS	3,455.65
NET SHORT TERM CAPITAL GAIN (LOSS)	11,402.88
TOTAL LONG TERM CAPITAL GAIN (LOSS)	107,968.68
TOTAL LONG TERM CAPITAL GAINS DIVIDENDS	32,018.70
TOTAL 28% RATE CAPITAL GAINS DIVIDENDS	0.00
TOTAL SEC 1250 CAPITAL GAINS DIVIDENDS	0.00
TOTAL SEC 1202 CAPITAL GAINS DIVIDENDS	0.00
NET LONG TERM CAPITAL GAIN (LOSS)	139,987.38
NET CAPITAL GAIN (LOSS)	151,390.26
TOTAL GAIN/LOSS FROM SALES WITH UNKNOWN COST/ACQUISITION DATE	0.00

HERSCHER FOUNDATION, INC.
E.I.N. 55-6018744
TAX YEAR 2011
FORM 990-PF

PART VIII - INFORMATION ABOUT OFFICERS, DIRECTORS, FOUNDATION MANAGERS, ETC.

NAME AND ADDRESS	*TITLE AND TIME DEVOTED*	*CONTRIBUTIONS TO PLANS*	*EXPENSE ACCOUNT*	*COMPENSATION*
Charles L. Jarrell 906 Kanawha Valley Building 300 Capitol Street Charleston, WV 25301	Trustee, President and Treasurer Part-Time	NONE	NONE	NONE
Michael Wehrle 3150 West Teal Rd Jackson, WY 83001	Trustee and Vice President Part-Time	NONE	NONE	NONE
Nelle R. Chilton P. O. Box 311 Charleston, WV 25321	Trustee Part-Time	NONE	NONE	NONE
Susie Salisbury 1116 Smith Street Charleston, WV 25301	Trustee Part-Time	NONE	NONE	NONE
Russell L. Isaacs P. O. Box 441 Charleston, WV 25322	Trustee Part-Time	NONE	NONE	NONE
Thomas A. Heywood 600 Quarrier Street Charleston, WV 25301	Trustee Part-Time	NONE	NONE	NONE
John F. Allevato 300 Kanawha Blvd., East Charleston, WV 25301	Secretary and Trustee Part-Time	NONE	NONE	NONE

Herscher Foundation, Inc.
EIN 55-6018744
Tax Year 2011
Form 990-PF

PART XV-3A-GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

No recipients are individuals
All organizations listed are tax-exempt under Section 501c(3) of the IRC
All organizations located in Charleston, WV

EDUCATION

National Science Foundation-National Youth Science Camp	$	5,000
University of Charleston	$	15,000
Education Alliance	$	1,500
Kanawha County Public Library	$	10,000
Subtotal	$	31,500

CULTURAL ACTIVITIES

Clay Center	$	15,000
WV Humanities Council	$	10,000
Fund for the Arts	$	2,500
West Virginia Symphony Orchestra	$	6,400
Buckskin Council-Boy Scouts	$	1,000
Black Diamond Council-Girl Scouts	$	500
West Virginia Public Broadcasting	$	10,000
Charleston Ballet	$	1,000
Subtotal	$	46,400

SOCIAL AND WELFARE SERVICES

Covenant House	$	6,500
American Red Cross	$	6,500
Children's Home Society	$	5,000
Capital City Striders	$	500
Daymark	$	1,500
West Virginia Health Right	$	2,500
United Way of Kanawha Valley, Inc.	$	6,600
Charleston Gazette Charities	$	1,000
Daily Mail Neediest Cases	$	1,000
Dollar Energy Fund	$	5,000
Manna Meal	$	1,000
Salvation Army	$	5,000
Subtotal	$	42,100

TOTAL GRANTS AND CONTRIBUTIONS FOR 2011	$	120,000