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Form **990-PF**

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

OMB No 1545-0052

**2011**Department of the Treasury  
Internal Revenue Service

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

For calendar year 2011 or tax year beginning , and ending

Name of foundation <b>THE GOODMAN FOUNDATION, INC</b>		A Employer identification number <b>56-6034757</b>
Number and street (or P O box number if mail is not delivered to street address) <b>PO BOX 1040</b>	Room/suite	B Telephone number (see instructions) <b>704-633-5982</b>
City or town, state, and ZIP code <b>SALIBURY NC 28145</b>		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1 Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) <b>\$ 6,415,062</b>	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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))		(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)	608,951			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	113	113		
	4 Dividends and interest from securities	175,177	140,957		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10 <b>Stmt 1</b>	86,476			
	b Gross sales price for all assets on line 6a <b>978,153</b>				
	7 Capital gain net income (from Part IV, line 2)		25,766		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns & allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule) <b>Stmt 2</b>	8,887				
12 Total. Add lines 1 through 11	879,604	166,836	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) <b>See Stmt 3</b>	3,383			3,383
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule) <b>Stmt 4</b>	27,137	27,137		
	17 Interest				
	18 Taxes (attach schedule) (see instructions) <b>Stmt 5</b>	4,747	2,819		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (att sch) <b>Stmt 6</b>	15,844	15,768		76
	24 Total operating and administrative expenses. Add lines 13 through 23	51,111	45,724	0	3,459
	25 Contributions, gifts, grants paid	248,175			248,175
26 Total expenses and disbursements. Add lines 24 and 25	299,286	45,724	0	251,634	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	580,318				
b Net investment income (if negative, enter -0-)		121,112			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

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<b>Part II Balance Sheets</b> Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1 Cash—non-interest-bearing	252,302	21,365	21,365
	2 Savings and temporary cash investments	345,912	479,763	479,763
	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 (att schedule) ▶ Less allowance for doubtful accounts ▶	0		
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule) <b>See Stmt 7</b>	5,388,618	5,477,128	5,477,128
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶ <b>436,806</b> Less accumulated depreciation (attach sch ) ▶ <b>Stmt 8</b>		436,806	436,806
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch ) ▶			
	15 Other assets (describe ▶ )			
	16 <b>Total assets</b> (to be completed by all filers—see the instructions Also, see page 1, item I)	5,986,832	6,415,062	6,415,062
<b>Liabilities</b>	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 <b>Total liabilities</b> (add lines 17 through 22)	0	0	
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b> ▶ <input checked="" type="checkbox"/>			
	24 Unrestricted	5,986,832	6,415,062	
	25 Temporarily restricted			
	26 Permanently restricted			
	<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> ▶ <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 <b>Total net assets or fund balances</b> (see instructions)	5,986,832	6,415,062	
	31 <b>Total liabilities and net assets/fund balances</b> (see instructions)	5,986,832	6,415,062	

**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	5,986,832
2 Enter amount from Part I, line 27a	2	580,318
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	6,567,150
5 Decreases not included in line 2 (itemize) ▶ <b>See Statement 9</b>	5	152,088
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	6,415,062

**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.)
<b>1a SCHWAB</b>				
<b>b ALLIANCEBERNSTEIN HOLDING LP</b>				
<b>c ALLIANCE RESOURCE PARTNERS LP</b>				
<b>d</b>				
<b>e</b>				

(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)
<b>a 25,642</b>			<b>25,642</b>
<b>b 101</b>			<b>101</b>
<b>c 23</b>			<b>23</b>
<b>d</b>			
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(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	
<b>a</b>			<b>25,642</b>
<b>b</b>			<b>101</b>
<b>c</b>			<b>23</b>
<b>d</b>			
<b>e</b>			

<b>2</b> Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	<b>2</b>	<b>25,766</b>
<b>3</b> 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		<b>3</b>	

**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	<b>121,484</b>	<b>5,471,172</b>	<b>0.022204</b>
2009	<b>112,875</b>	<b>3,421,935</b>	<b>0.032986</b>
2008	<b>70,235</b>	<b>1,887,842</b>	<b>0.037204</b>
2007	<b>103,475</b>	<b>1,827,278</b>	<b>0.056628</b>
2006	<b>83,385</b>	<b>1,314,987</b>	<b>0.063411</b>

<b>2</b> Total of line 1, column (d)	<b>2</b>	<b>0.212433</b>
<b>3</b> 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	<b>3</b>	<b>0.042487</b>
<b>4</b> Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	<b>4</b>	<b>6,407,785</b>
<b>5</b> Multiply line 4 by line 3	<b>5</b>	<b>272,248</b>
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	<b>1,211</b>
<b>7</b> Add lines 5 and 6	<b>7</b>	<b>273,459</b>
<b>8</b> Enter qualifying distributions from Part XII, line 4 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.	<b>8</b>	<b>251,634</b>

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

<b>1a</b>	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)		
<b>b</b>	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>	<b>2,422</b>
<b>c</b>	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
<b>2</b>	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>2</b>	<b>0</b>
<b>3</b>	Add lines 1 and 2	<b>3</b>	<b>2,422</b>
<b>4</b>	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>4</b>	<b>0</b>
<b>5</b>	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>	<b>2,422</b>
<b>6</b>	Credits/Payments		
<b>a</b>	2011 estimated tax payments and 2010 overpayment credited to 2011	<b>6a</b>	
<b>b</b>	Exempt foreign organizations—tax withheld at source	<b>6b</b>	
<b>c</b>	Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	
<b>d</b>	Backup withholding erroneously withheld	<b>6d</b>	
<b>7</b>	Total credits and payments. Add lines 6a through 6d	<b>7</b>	
<b>8</b>	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	<b>8</b>	<b>46</b>
<b>9</b>	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	<b>9</b>	<b>2,468</b>
<b>10</b>	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	<b>10</b>	
<b>11</b>	Enter the amount of line 10 to be <b>Credited to 2012 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	<b>11</b>	

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> 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?		<b>X</b>
<b>b</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)? If the answer is "Yes" to <b>1a</b> or <b>1b</b> , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		<b>X</b>
<b>c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		<b>X</b>
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
<b>2</b> 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		<b>X</b>
<b>3</b> 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		<b>X</b>
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?	<b>X</b>	
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?	<b>X</b>	
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		<b>X</b>
<b>6</b> 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?	<b>X</b>	
<b>7</b> 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	<b>X</b>	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see instructions) <b>NC</b>		
<b>b</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	<b>X</b>	
<b>9</b> 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		<b>X</b>
<b>10</b> Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		<b>X</b>

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		<b>X</b>
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		<b>X</b>
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <b>N/A</b>	13	<b>X</b>	
14	The books are in care of ► <b>ARTHUR L HATTAWAY, JR</b> <b>PO BOX 1040</b> Located at ► <b>SALISBURY</b> NC ZIP+4 ► <b>28145</b> Telephone no ► <b>704-633-5982</b>			
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 ► <b>15</b>			
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►	16	Yes	No <b>X</b>

**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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 ) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here ► <b>N/A</b>	1b	
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? <b>N/A</b>	1c	
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? If "Yes," list the years ► 20 , 20 , 20 , 20 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
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 ) <b>N/A</b>	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 ) <b>N/A</b>	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	<b>X</b>
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	<b>X</b>

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

<b>5a</b>	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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>b</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)?	<b>N/A</b>		<b>5b</b>
	Organizations relying on a current notice regarding disaster assistance check here	<input checked="" type="checkbox"/>		
<b>c</b>	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?	<b>N/A</b> <input type="checkbox"/> Yes <input type="checkbox"/> No		
	If "Yes," attach the statement required by Regulations section 53.4945-5(d)			
<b>6a</b>	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>b</b>	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			<b>6b</b>
	If "Yes" to 6b, file Form 8870			<b>X</b>
<b>7a</b>	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>b</b>	If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	<b>N/A</b>		<b>7b</b>

**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 Statement 10				

**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

**0**

**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
<b>1</b> N/A	
<b>2</b>	
<b>3</b>	
<b>4</b>	

**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
<b>1</b> N/A	
<b>2</b>	
All other program-related investments See instructions	
<b>3</b>	

Total. Add lines 1 through 3 ▶



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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	<b>5,495,816</b>
<b>b</b>	Average of monthly cash balances	<b>1b</b>	<b>610,549</b>
<b>c</b>	Fair market value of all other assets (see instructions)	<b>1c</b>	<b>399,000</b>
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	<b>6,505,365</b>
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	<b>0</b>
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	<b>0</b>
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	<b>6,505,365</b>
<b>4</b>	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	<b>4</b>	<b>97,580</b>
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	<b>6,407,785</b>
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	<b>320,389</b>

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	<b>320,389</b>
<b>2a</b>	Tax on investment income for 2011 from Part VI, line 5	<b>2a</b>	<b>2,422</b>
<b>b</b>	Income tax for 2011 (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	<b>2,422</b>
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	<b>317,967</b>
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	<b>317,967</b>
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	<b>317,967</b>

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

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	<b>1a</b>	<b>251,634</b>
<b>b</b>	Program-related investments—total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	<b>251,634</b>
<b>5</b>	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)	<b>5</b>	<b>0</b>
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	<b>251,634</b>

**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
<b>1</b> Distributable amount for 2011 from Part XI, line 7				<b>317,967</b>
<b>2</b> Undistributed income, if any, as of the end of 2011				
<b>a</b> Enter amount for 2010 only				
<b>b</b> Total for prior years 20____, 20____, 20____				
<b>3</b> Excess distributions carryover, if any, to 2011				
<b>a</b> From 2006	<b>18,919</b>			
<b>b</b> From 2007	<b>13,883</b>			
<b>c</b> From 2008				
<b>d</b> From 2009				
<b>e</b> From 2010				
<b>f</b> Total of lines 3a through e	<b>32,802</b>			
<b>4</b> Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ <b>251,634</b>				
<b>a</b> Applied to 2010, but not more than line 2a				
<b>b</b> Applied to undistributed income of prior years (Election required—see instructions)				
<b>c</b> Treated as distributions out of corpus (Election required—see instructions)				
<b>d</b> Applied to 2011 distributable amount				<b>251,634</b>
<b>e</b> Remaining amount distributed out of corpus				
<b>5</b> Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a) )	<b>32,802</b>			<b>32,802</b>
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5				
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b				
<b>c</b> 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				
<b>d</b> Subtract line 6c from line 6b Taxable amount—see instructions				
<b>e</b> Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see instructions				
<b>f</b> Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				<b>33,531</b>
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
<b>8</b> Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
<b>9</b> Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a				
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2007				
<b>b</b> Excess from 2008				
<b>c</b> Excess from 2009				
<b>d</b> Excess from 2010				
<b>e</b> 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			(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon					
<b>a</b> "Assets" alternative test—enter					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> "Support" alternative test—enter					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> Gross investment income					

**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) )  
**N/A**

**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  
**N/A**

**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  
**N/A**

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

**c** Any submission deadlines  
**N/A**

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

**Part XV** Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
<b>a</b> Paid during the year <b>See Statement 11</b>				<b>248,175</b>
<b>Total</b>			<b>▶ 3a</b>	<b>248,175</b>
<b>b</b> Approved for future payment <b>N/A</b>				
<b>Total</b>			<b>▶ 3b</b>	

Enter gross amounts unless otherwise indicated

(See worksheet in line 13 instructions to verify calculations )

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**

- 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
- (2)** Other assets
- b** Other transactions.
- (1)** Sales of assets to a noncharitable exempt organization
- (2)** Purchases of assets from a noncharitable exempt organization
- (3)** Rental of facilities, equipment, or other assets
- (4)** Reimbursement arrangements
- (5)** Loans or loan guarantees
- (6)** Performance of services or membership or fundraising solicitations
- c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees
- 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.

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

- 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
N/A		

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.

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

**Sign  
Here**

Auth L Hattaway  
Signature of officer or trustee

5/14/12  
Date

**ASST SECRETARY**  
Title

Paid					Check <input type="checkbox"/> if self-employed
Preparer	Pamela P. Hipp, CPA		Pamela P. Hipp, CPA		05/14/12
Use Only	Firm's name ▶	PAMELA P HIPPI CPA			PTIN P00737567
	Firm's address ▶	1175 BEE LINE LANE SALISBURY, NC 28147			Firm's EIN ▶ 26-4300546
					Phone no 704-633-5982

**Schedule B**  
**(Form 990, 990-EZ,**  
**or 990-PF)**

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

► **Attach to Form 990, Form 990-EZ, or Form 990-PF.**

OMB No 1545-0047

**2011**

**Name of the organization**

**THE GOODMAN FOUNDATION, INC**

**Employer identification number**

**56-6034757**

**Organization type (check one)**

**Filers of:**

**Section:**

Form 990 or 990-EZ

☐ 501(c)( ) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.

► \$

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization

THE GOODMAN FOUNDATION, INC

Employer identification number

56-6034757

**Part I** Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	AGGREGATE RESOURCES, LLC PO BOX 425  SWANNANOA NC 28778	\$ 12,666	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
2	B V HEDRICK GRAVEL & SAND COMPANY PO BOX 1040  SALISBURY NC 28145	\$ 27,536	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
3	MATERIAL SALES COMPANY PO BOX 1040  SALIBURY NC 28145	\$ 7,411	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
4	CUMBERLAND GRAVEL & SAND COMPANY PO BOX 425  SWANNANOA NC 28778	\$ 7,701	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
5	E.A. GOODMAN ESTATE PO BOX 1040  SALISBURY NC 28145	\$ 553,637	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution )
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )



Name of organization

**THE GOODMAN FOUNDATION, INC**

Employer identification number

**56-6034757****Part II** **Noncash Property** (see instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
<b>5</b>	<b>REAL ESTATE 214 Confederate Ave. Salisbury, NC 28144</b>	<b>\$ 416,511</b>	<b>04/01/11</b>
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	

## Federal Statements

## Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description			How Received		Expense	Cost	Depreciation	Net Gain / Loss
Whom Sold	Date Acquired	Date Sold	Sale Price	Purchase Price				
AFLAC INC 1000 SHS	6/24/10	3/16/11	\$	Purchase 50,005 \$	\$	53,514 \$	\$	-3,509
AFLAC INC 190 SHS	4/23/10	3/16/11		Purchase 9,501		10,548		-1,047
AMERICAN FD NEW WORLD 24.135 SHS	12/27/10	10/12/11		Purchase 1,140		1,294		-154
COMCAST CORP 3000 SHS	3/24/10	2/17/11		Purchase 74,983		54,396		20,587
COMCAST CORP 500 SHS	4/23/10	2/17/11		Purchase 12,497		9,383		3,114
FLUOR CORPORATION NEW 200 SHS	4/19/10	3/29/11		Purchase 14,539		10,175		4,364
FLUOR CORPORATION NEW 450 SHS	4/23/10	3/29/11		Purchase 32,714		23,755		8,959
ISHARES TR DJ US FINL 1080 SHS	4/07/11	9/29/11		Purchase 49,019		64,734		-15,715
NASDAQ OMX GROUP INC 2300 SHS	3/29/11	4/07/11		Purchase 67,330		57,989		9,341
NOBLE CORP 1200 SHS	9/15/10	8/18/11		Purchase 36,483		42,025		-5,542
NOBLE CORP 260 SHS	9/30/10	8/18/11		Purchase 7,905		8,698		-793
QUALCOMM INC 1400 SHS	7/29/10	1/11/11		Purchase 72,609		54,552		18,057
TOBACCO SETTLEM 6.375% 35000	11/30/10	5/15/11		Purchase 35,350		35,000		350
ALLIANCE RES PARTNERS LP 1400	5/28/10	8/11/11		Purchase 98,379		64,381		33,998
ALLIANCEBERNSTEIN HLDG 1800	3/24/10	6/06/11		Purchase 35,021		54,122		-19,101
AMERICAN FD NEW WORLD FD 1624.137	Various	10/12/11		Purchase 76,708		78,455		-1,747
CHARLOTTE NC WTR 5XXX	5/25/10	8/03/11		Purchase 40,400		42,034		-1,634
FLUOR CORP NEW 600 SHS	4/19/10	6/29/11		Purchase 38,226		30,526		7,700

## Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets (continued)

Whom Sold	Description	Date Acquired	Date Sold	How Received		Cost	Expense	Depreciation	Net Gain / Loss
				Sale Price	Purchase				
GENERAL MILLS INC 600 SHS		3/24/10	12/15/11	\$ 23,956	Purchase	21,651	\$	\$	2,305
KIMBERLY CLARK CORP 360 SHS		11/29/10	12/15/11	25,592	Purchase	22,074			3,518
NORTH CAROLINA 5.25% 18REV		4/27/98	10/01/11	15,000	Purchase	15,000			
NORTH CAROLINA 6,25XXX 10000		Various	12/21/11	10,000	Purchase	9,967			33
PINNACLE WEST CAPITAL 1800		5/28/10	9/26/11	77,383	Purchase	63,506			13,877
SEI INVESTMENTS CO 2890 SHS		Various	9/08/11	47,647	Purchase	63,898			-16,251
Total				\$ 952,387	\$	891,677	0	0	\$ 60,710

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
NONDIVIDEND DISTRIBUTIONS	\$ 6,963	\$	\$
ALLIANCEBERNSTEIN HOLDINGS LP	522		
ALLIANCE RESOURCE PARTNERS LP	1,402		
Total	\$ 8,887	\$ 0	\$ 0

## Federal Statements

Statement 3 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
WOMBLE, CARLYLE, SANDRIDGE & RIC	\$ 3,383	\$	\$	\$ 3,383
VAN WINKLE LAW FIRM				
Total	\$ 3,383	\$ 0	\$ 0	\$ 3,383

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ADVISOR FEES	\$ 27,137	\$ 27,137	\$	\$
Total	\$ 27,137	\$ 27,137	\$ 0	\$ 0

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAX PAID	\$ 2,819	\$ 2,819	\$	\$
EXCISE TAX	1,928			
Total	\$ 4,747	\$ 2,819	\$ 0	\$ 0

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses	\$	\$	\$	\$
BANK SERVICE CHARGES	76			76
INVESTMENT INTEREST EXPENSE K	18	18		
WELLS FARGO ACCOUNT FEES	72	72		
214 CONFEDERATE AVE EXPENSES	15,678	15,678		
Total	\$ 15,844	\$ 15,768	\$ 0	\$ 76

## Federal Statements

## Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
NORTH CAROLINA 5.25%28	\$ 67,448	\$ 70,598	Market	\$ 70,598
NORTH CAROLINA 6.25%21	75,989	72,791	Market	72,791
NORTH CAROLINA 6.25%27	8,979		Market	
NORTH CAROLINA 5.875%35	37,798	38,535	Market	38,535
NORTH CAROLINA 5.2%26	9,963	10,005	Market	10,005
NORTH CAROLINA ST 3%14	68,427	68,629	Market	68,629
TOBACCO SETTLEM 6.375%28	36,077		Market	
UNIVERSITY NC WILM 5%22	90,490	97,150	Market	97,150
CARY NC 4%20	90,992	99,789	Market	99,789
CHARLOTTE NC WTR 5%21	41,045		Market	
CONCORD NC UTILS 4.2%16	61,970	61,635	Market	61,635
DURHAM CNTY NC 4.25%13	41,677	40,404	Market	40,404
NORTH CAROLINA 5.25%18	83,432	72,756	Market	72,756
AFLAC INC 1190 SHS	67,152		Market	
AT&T INC NEW 2510 SHS	73,744	75,902	Market	75,902
ABBOTT LABORATORIES 1300 SHS	62,283	73,099	Market	73,099
APACHE CORP 615 SHS	73,327	55,707	Market	55,707
APPLIED MATERIALS INC 3300 SHS		35,343	Market	35,343
AUTO DATA PROCESSING 1435 SHS	66,412	77,504	Market	77,504
CVS CAREMARK CORP	61,543	72,181	Market	72,181
BLACK ROCK INC 400 SHS		71,296	Market	71,296
CHEVRON CORPORATION 795 SHS	72,544	84,588	Market	84,588
COMCAST CORP NEW CL A 3500 SHS	76,895		Market	
DOVER CORPORATION 1195 SHS	69,848	69,370	Market	69,370
EMERSON ELECTRIC CO 1250 SHS	71,463	58,238	Market	58,238
ENSCO PLC ADR		46,920	Market	46,920
EXXON MOBIL CORPORATION 900 SHS	65,808	76,284	Market	76,284
FLOUR CORPORATION NEW 1250 SHS	82,825		Market	
GENERAL DYNAMICS CORP 660 SHS	46,834	43,831	Market	43,831
GENERAL DYNAMICS CORP 135 SHS		8,965	Market	8,965
GENERAL MILLS INC 600 SHS	21,354		Market	
GENERAL MILLS INC 1260 SHS	44,843	50,917	Market	50,917
HALLIBURTON CO HLDG CO 1800 SHS		62,118	Market	62,118
HOME DEPOT INC 1800 SHS	63,108	75,672	Market	75,672
HUDSON CITY BANCORP INC 4810 SHS	61,279	30,063	Market	30,063
ILLINOIS TOOL WORKS INC 1200 SHS	64,080	56,052	Market	56,052
INTEL CORP 2730 SHS	57,412	66,203	Market	66,203
INTEL CORP 500 SHS		12,125	Market	12,125
INTL BUSINESS MACHINES 505 SHS	74,114	92,859	Market	92,859

## Federal Statements

## Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
JOHNSON & JOHNSON 1010 SHS	\$ 62,469	\$ 66,236	Market	\$ 66,236
JPMORGAN CHASE & CO 1460 SHS	61,933	48,545	Market	48,545
KIMBERLY-CLARK CORP 360	22,694			
KIMBERLY-CLARK CORP 700 SHS	44,128	51,492	Market	51,492
MEDTRONIC INC 1780 SHS	66,020	68,085	Market	68,085
MICROCHIP TECHNOLOGY INC 2175 SHS	74,407	79,670	Market	79,670
MICROSOFT CORP 2120 SHS	59,169	55,035	Market	55,035
NOBLE CORP F 1460 SHS	52,224		Market	
ORACLE CORPORATION 2470 SHS	77,311	63,356	Market	63,356
PEPSICO INCORPORATED 1000 SHS	65,330	66,350	Market	66,350
PINNACLE WEST CAPITAL CP 1800 SHS	74,610		Market	
PNC FINL SERVICES GP INC 1250 SHS		72,088	Market	72,088
PROCTER & GAMBLE 1025 SHS	65,938	68,378	Market	68,378
PRUDENTIAL FINANCIAL INC 1250 SHS		62,650	Market	62,650
RIO TINTO PLC SPON ADR F 1000 SHS		48,920	Market	48,920
QUALCOMM INC 1400 SHS	69,286		Market	
SEI INVESTMENTS CO 2890 SHS	68,753		Market	
STRYKER CORP 1120 SHS	60,144	55,675	Market	55,675
SYSCO CORPORATION 2110 SHS	62,034	61,886	Market	61,886
TELEFONICA SPON ADR F 800 SHS	54,736	41,256	Market	41,256
TEVA PHARM INDS LTD ADRF 1265 SHS	65,944	51,055	Market	51,055
T J X COS INC 1000 SHS		64,550	Market	64,550
TAIWAN SEMICONDUCTR ADRF 4820 SHS		62,226	Market	62,226
TD AMERITRADE HOLDING CP 3270 SHS		51,176	Market	51,176
TIME WARNER INC NEW 2310 SHS		83,483	Market	83,483
WAL-MART STORES INC 1200 SHS	64,716	71,712	Market	71,712
3M COMPANY 760 SHS	65,588	62,115	Market	62,115
LOOMIS SAYLES BOND CL I	65,693	68,166	Market	68,166
LORD ABBETT HIGH YIELD I	160,461	165,889	Market	165,889
METROPOLITAN WEST TOTAL	84,194	95,176	Market	95,176
OPPENHEIMER INTL BD Y	158,960	158,644	Market	158,644
PIMCO LOW DURATION FUND	81,550	82,948	Market	82,948
VANGUARD INFLATION	334,567	416,974	Market	416,974
AMERICAN FD EUROPACIFIC	216,965	187,465	Market	187,465
AMERICAN FD NEW WORLD	89,369		Market	
ARTISAN MIDCAP VALUE FD		28,357	Market	28,357
ARTISAN SMALL CAP FUND	176,921	211,011	Market	211,011
MATTHEWS PACIFIC TIGER	77,719	68,851	Market	68,851
OPPENHEIMER DEVELOPING FUNDS		75,330	Market	75,330

## Federal Statements

Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
ROYCE PENNSYLVANIA	\$ 184,097	\$ 215,318	Market	\$ 215,318
ALLICANCE RES PARTNERS LP	92,064		Market	
ALLIANCEBERNSTEIN HLDG	41,994		Market	
ENERGY TRANSFER PARTNERS	60,111	53,186	Market	53,186
ISHARES TR S&P GLOBAL	71,381	68,348	Market	68,348
SECTOR SPDR UTIL SELECT QTY 2145	67,224	77,177	Market	77,177
SPDR S&P BIOTEC ETF QTY 1090	68,757	72,376	Market	72,376
VANGUARD EMERGIN MARKET QTY 713	34,328	27,244	Market	27,244
VORNADO REALTY TRUST		53,802	Market	53,802
WISDOMTREE TRUST QTY 1420	77,390	58,703	Market	58,703
SCH ADV ASH RESRV PREM	16,284	8,695	Market	8,695
Total	\$ 5,388,618	\$ 5,477,128		\$ 5,477,128

Statement 8 - Form 990-PF, Part II, Line 11 - Land, Building, and Equipment Investments

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
214 CONFEDERATE AVE SALISBURY NC	\$	\$ 436,806	\$	\$ 436,806
Total	\$ 0	\$ 436,806	\$ 0	\$ 436,806

**Statement 9 - Form 990-PF, Part III, Line 5 - Other Decreases**

Description	Amount
UNREALIZED LOSS ON SECURITIES	\$ 152,088
Total	\$ 152,088



## Federal Statements

Statement 10 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees,  
Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
GAIL G. SETTLE P O BOX 1040 SALISBURY NC 28145	VP	1.00	0	0	0
JEFFREY V. GOODMAN PO BOX 1040 SALISBURY NC 28145-1040	PRESIDENT/TR	1.00	0	0	0
MICHAEL A. GOODMAN PO BOX 1040 SALISBURY NC 28145-1040	SECRETARY	1.00	0	0	0
ARTHUR L. HATTAWAY, JR PO BOX 1040 SALISBURY NC 28145-1040	ASST. SEC.	1.00	0	0	0
C. RANDALL MCGLOTHLIN PO BOX 1040 SALISBURY NC 28145-1040	ASST. SEC.	2.00	0	0	0

## Federal Statements

Statement 11 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the  
Year

Name		Address		Status	Relationship	Purpose	Amount
Address							
CENTRAL UNITED METHODIST ASHEVILLE NC 28801		27 CHURCH STREET				RELIGIOUS ORGANIZATION	35,000
NC STATE ANNUAL GIVING RALEIGH NC 27695		CAMPUS BOX 7511				ACADEMIC PROGRAM SUPPORT	6,000
UNC ASHEVILLE FOUNDATION ASHEVILLE NC 28804		312 OWEN HALL CPO #1800				SUPPORT FOR WRITING & LIT PROGRAMS	1,000
ASHEVILLE SCHOOL ASHEVILLE NC 28806		360 ASHEVILLE SCHOOL RD				FINANCIAL AID FUND AND MAINTENANCE FU	500
ST. ANDREWS PRESBY COLLEG LAURINBURG NC 28352		1700 DOGWOOD MILE				EDUCATIONAL SUPPORT	1,000
UNITED WAY OF ASHEVILLE ASHEVILLE NC 28801		50 S FRENCH BROAD AVE				CHARTIABLE	6,000
DEERFIELD EPSICOPAL RETIR ASHEVILLE NC 28803		1617 HENDERSONVILLE RD				SUPPORT FOR RETIREMENT PROGRAMS	25
GREENSBORO COLLEGE GREENSBORO NC 27401		815 W MARKET ST				EDUCATIONAL SCHOLARSHIPS	1,000
LEUKEMIA & LYMPHONMIA SOC PITTSFIELD MA 01202		PO BOX 4072				RESEARCH, EDUCATION, PATIENT SERVICE	200
MISSIONS HEALTHCARE FOUND ASHEVILLE NC 28803		980 HENDERSONVILLE RD				FUNDING FOR CANCER CENTER CAPITAL FU	50,000
NATIONAL MS SOCIETY BIRMINGHAM AL 35209		3840 RIDGEWAY DR				RESEARCH, EDUCATION, PATIENT SERVICE	100
CAMPUS OUTREACH - RALEIGH DURHAM NC 27703		2335-114 PRESIDENTIAL DR				RELIGIOUS ORGANIZATION	100
RED CROSS ASHEVILLE NC 28804		100 EDGEWOOD RD				CHARITY	1,000
FIRST UNITED METHODIST CHURCH SALISBURY NC 28144		217 SOUTH CHURCH STREET				RELIGIOUS ORGANIZATION - NEW BUILDIN	125,000
SUSAN G. KOMEN FOUNDATION FORT WORTH TX 76185		PO BOX 101328				RESEARCH, EDUCATION, PATIENT SERVICE	1,000
T.H.E. CENTER FOR DISORDE ASHEVILLE NC 28801		297 HAYWOOD ST				SUPPORT EDUCATION PROGRAMS	15,000
THE SALVATION ARMY ASHEVILLE NC 28805		204 HAYWOOD ST				CHARITY	250
ARHF- WATAUGA MEDICAL CEN BOONE NC 28607		PO BOX 2600				SUPPORT MEDICAL FOUNDATION	2,000
ST. JUDE CHILDREN'S RESEARCH HOSPIT MEMPHIS TN 38105		262 DANNY THOMAS PLACE				RESEARCH, PATIENT SERVICES	1,000

## Federal Statements

**Statement 11 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the  
Year (continued)**

Name		Address		Relationship	Status	Purpose	Amount
WATAUGA HUMANE SOCIETY		BOONE NC 28607		PO BOX 1835		OPERATIONAL EXPENSES	1,000
HUMANE SOCIETY OF NORTH TEXAS		FORT WORTH TX 76103		1840 E. LANCASTER AVE		OPERATIONAL EXPENSES	1,000
Total							<u>248,175</u>