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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 , and ending

Name of foundation: Donnie Royal Foundation

A Employer identification number: 91-2052930

Number and street (or P O box number if mail is not delivered to street address): 3620 Cape Center Dr.

Room/suite:

B Telephone number (see instructions): 910-323-0191

City or town, state, and ZIP code: Fayetteville NC 28304

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) ▶ $ 1,572,783

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))	(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	17,794	17,794		
	4	Dividends and interest from securities	48,443	48,443		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	59,713			
	b	Gross sales price for all assets on line 6a 524,064				
	7	Capital gain net income (from Part IV, line 2)		59,713		
	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) Stmt 1	2,573	2,573		
	12	**Total.** Add lines 1 through 11	128,523	128,523	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	Accounting fees (attach schedule) Stmt 2	2,000			
	c	Other professional fees (attach schedule)				
	17	Interest	2,365	2,365		
	18	Taxes (attach schedule) (see instructions) Stmt 3	749	749		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) Stmt 4	16	16		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	5,130	3,130	0	0
	25	Contributions, gifts, grants paid	98,000			98,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	103,130	3,130	0	98,000
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	25,393			
	b	**Net investment income** (if negative, enter -0-)		125,393		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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Form **990-PF** (2011)

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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	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	54,674	21,008	21,008
	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	1,980		
	10a	Investments—U S and state government obligations (attach schedule) Stmt 5	77,185	77,185	79,890
	b	Investments—corporate stock (attach schedule) See Stmt 6	962,605	1,083,579	1,133,677
	c	Investments—corporate bonds (attach schedule) See Stmt 7	189,003	147,988	145,991
	11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule) See Statement 8	213,305	194,385	192,217
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	1,498,752	1,524,145	1,572,783
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	1,498,752	1,524,145	
	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			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	1,498,752	1,524,145	
	31	**Total liabilities and net assets/fund balances** (see instructions)	1,498,752	1,524,145	

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	1,498,752
2	Enter amount from Part I, line 27a	2	25,393
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,524,145
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	1,524,145

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 Worksheet			
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				
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 59,713

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 -107

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	90,000	1,548,178	0.058133
2009	104,356	1,419,942	0.073493
2008	100,000	1,741,485	0.057422
2007	100,000	1,974,206	0.050653
2006	100,000	1,844,679	0.054210

2 Total of line 1, column (d)	2	0.293911
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	0.058782
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,587,365
5 Multiply line 4 by line 3	5	93,308
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,254
7 Add lines 5 and 6	7	94,562
8 Enter qualifying distributions from Part XII, line 4	8	98,000

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	1,254
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	0
3	Add lines 1 and 2			3	1,254
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	0
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	1,254
6	Credits/Payments				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	390		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	2,150		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	2,540
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached			8	18
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	1,268
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶ 1,268 **Refunded** ▶			11	

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? N/A	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) ▶ NC			
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)

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 ▶ N/A

14 The books are in care of ▶ William T. Allen Telephone no ▶ 910-323-0191

3620 Cape Center Dr.

Located at ▶ Fayetteville NC ZIP+4 ▶ 28304

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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
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)? N/A	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? N/A	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? ☐ 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) N/A	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) N/A	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)

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)? N/A 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? N/A ☐ 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 (No)

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? N/A 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
William T. Allen 3620 Cape Center	Fayetteville NC 28304	President 0.00	0	0	0
Henry Turlington 1600 Quaker Ridge	Raleigh NC 27615	Treasurer 0.00	0	0	0
Charles Royal 1425 Keith Hills Road	Lillington NC 27546	V-President 0.00	0	0	0
Dr. Douglas Kelly 500 East Cleveland St.	Dillon SC 29536	Secretary 0.00	0	0	0

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
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 ▶	

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	1,537,504
b	Average of monthly cash balances			1b	74,034
c	Fair market value of all other assets (see instructions)			1c	0
d	**Total** (add lines 1a, b, and c)			1d	1,611,538
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0		
2	Acquisition indebtedness applicable to line 1 assets			2	0
3	Subtract line 2 from line 1d			3	1,611,538
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)			4	24,173
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	1,587,365
6	**Minimum investment return.** Enter 5% of line 5			6	79,368

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	79,368
2a	Tax on investment income for 2011 from Part VI, line 5	2a	1,254		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	1,254
3	Distributable amount before adjustments Subtract line 2c from line 1			3	78,114
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	78,114
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	78,114

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	98,000
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	98,000
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	1,254
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	96,746

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					78,114
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	10,492				
b	From 2007	3,052				
c	From 2008	14,540				
d	From 2009	34,647				
e	From 2010	14,181				
f	**Total** of lines 3a through e		76,912			
4	Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 98,000					
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					78,114
e	Remaining amount distributed out of corpus		19,886			
5	Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))					
6	**Enter the net total of each column as indicated below:**					
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5		96,798			
b	Prior years' undistributed income Subtract line 4b from line 2b					
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					
e	Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see instructions					
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)		10,492			
9	**Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a		86,306			
10	Analysis of line 9					
a	Excess from 2007	3,052				
b	Excess from 2008	14,540				
c	Excess from 2009	34,647				
d	Excess from 2010	14,181				
e	Excess from 2011	19,886				

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					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon a "Assets" alternative test—enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
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)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) 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))

Donnie M. Royal, MD (Deceased 2001)

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

William T. Allen 910-323-0191
3620 Cape Center Dr. Fayetteville NC 28304

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

Contact Individual in 2A for details

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

None

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				
Reformed Theological Semi 2101 Carmel Rd. Charlotte NC 28226	None	501(c)(3)	Royal Scholarship	10,000
Sampson Community College P.O. Box 318 Clinton NC 28329	None	501(c)(3)	Nursing Scholarship	10,000
Salemburg Baptist Church P.O. Box 537 Salemburg NC 28385	None	Church	General Fund	10,000
Baptist Children's Home P.O. Box 338 Thomasville NC 27361	None	501(c)(3)	General Fund	10,000
Campbell University P.O. Box 116 Buies Creek NC 27506	None	University	Concert Series	10,000
Campbell University P.O. Box 116 Buies Creek NC 27506	None	University	School of Medicine	10,000
The Royal Home P.O. Box 86 Salemburg NC 28385	None	501(c)(3)	General Fund	10,000
Salemburg Food Bank 113 N Main St Salemburg NC 28385	None	501(c)(3)	General Fund	5,000
Sampson Regional Medical Center Fou 607 Beaman St Clinton NC 28328	None	501(c)(3)	General Fund	20,000
McGee Methodist Church 1100 McGee Church Road Clinton NC 28328	None	501(c)(3)	General Fund	3,000
Total			▶ 3a	98,000
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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			14	17,794	
4 Dividends and interest from securities			14	48,443	
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			14	2,573	
8 Gain or (loss) from sales of assets other than inventory			18	59,713	
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		128,523	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 128,523

(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
N/A			

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		

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

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

Arthur L. Allen — Signature of officer or trustee

5-17-12 — Date

President — Title

Paid Preparer Use Only

Print/Type preparer's name: WILLIAM TEMPLE ALLEN, CPA	Preparer's signature: William Temple Allen, CPA, PA	Date: 05/09/12	Check ☐ if self-employed
Firm's name ▶ William Temple Allen, CPA, P.A.		PTIN	P01071846
Firm's address ▶ 3620 Cape Center Drive Fayetteville, NC 28304		Firm's EIN ▶	56-1833865
		Phone no	910-323-0191

Form **990-PF**

Capital Gains and Losses for Tax on Investment Income

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

2011

Name	Employer Identification Number
Donnie Royal Foundation	91-2052930

	(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)
(1)	Firstbank PR	P	06/23/08	01/03/11
(2)	Natl Rurul	P	07/22/10	04/15/11
(3)	Susquehanna	P	04/04/11	07/06/11
(4)	Wright Expr	P	03/08/11	06/13/11
(5)	Ishs Mcsi Bric	P	01/14/10	03/08/11
(6)	Ishs Brcly	P	07/22/10	09/22/11
(7)	Alliance Bernstein	P	Various	Various
(8)	Altria Group	P	06/03/05	10/25/11
(9)	Australia/New Zealand	P	01/14/10	10/25/11
(10)	Coca Cola	P	07/02/01	10/25/11
(11)	Colgate Palmolive	P	05/12/10	07/25/11
(12)	Discover Bk	P	04/24/08	05/02/11
(13)	John Hancock	P	01/19/06	01/18/11
(14)	Kellogg Co	P	Various	03/08/11
(15)	Magellan	P	Various	10/25/11

	(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)
(1)	20,000		20,000	
(2)	3,000		3,095	-95
(3)	28,000		28,006	-6
(4)	40,000		40,006	-6
(5)	48,545		47,485	1,060
(6)	61,072		50,972	10,100
(7)	29,382		26,024	3,358
(8)	5,299		3,186	2,113
(9)	21,973		21,231	742
(10)	6,627		4,500	2,127
(11)	4,261		4,216	45
(12)	20,000		20,000	
(13)	20,000		20,000	
(14)	21,515		14,518	6,997
(15)	22,172		12,490	9,682

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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	
(1)				
(2)				-95
(3)				-6
(4)				-6
(5)				1,060
(6)				10,100
(7)				3,358
(8)				2,113
(9)				742
(10)				2,127
(11)				45
(12)				
(13)				
(14)				6,997
(15)				9,682

Form **990-PF**

Capital Gains and Losses for Tax on Investment Income

2011

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

Name

Donnie Royal Foundation

Employer Identification Number

91-2052930

	(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)
(1)	McDonalds	P	01/18/07	07/25/11
(2)	National City	P	03/24/08	03/31/11
(3)	Philip Morris	P	06/03/05	10/25/11
(4)	Proctor & Gamble	P	06/18/99	10/25/11
(5)	Progress Energy	P	Various	Various
(6)	Protective	P	06/23/08	06/15/11
(7)	Suntrust	P	01/24/08	04/01/11
(8)	Sysco Corp	P	07/15/09	03/08/11
(9)	Templeton Global Inc Fund	P	Various	03/08/11
(10)	Templeton Global Inc Fund	P	Various	07/25/11
(11)	3M Company	P	07/15/09	10/25/11
(12)	Ameriprise #6133 - CG Distr.			
(13)				
(14)				
(15)				

	(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)
(1)	8,728		4,530	4,198
(2)	10,000		10,000	
(3)	6,778		3,629	3,149
(4)	6,383		2,989	3,394
(5)	24,658		23,430	1,228
(6)	40,000		40,000	
(7)	12,000		12,633	-633
(8)	16,418		13,977	2,441
(9)	10,362		9,313	1,049
(10)	16,403		13,919	2,484
(11)	17,174		14,202	2,972
(12)	3,314			3,314
(13)				
(14)				
(15)				

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))
(1)				4,198
(2)				
(3)				3,149
(4)				3,394
(5)				1,228
(6)				
(7)				-633
(8)				2,441
(9)				1,049
(10)				2,484
(11)				2,972
(12)				3,314
(13)				
(14)				
(15)				

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
UBS VU 21057 JJ	$ 372	$ 372	$
Ameriprise #6133	2,184	2,184	
Ameriprise #6133	17	17	
Total	$ 2,573	$ 2,573	$ 0

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	$ 2,000	$	$	$
Total	$ 2,000	$ 0	$ 0	$ 0

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Foreign Taxes Paid	$ 749	$ 749	$	$
Total	$ 749	$ 749	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
Ameriprise	16	16		
Total	$ 16	$ 16	$ 0	$ 0

Statement 5 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
FICO Series - 10,000 Sh	$ 9,391	$ 9,391	Cost	$ 9,835
FICO Series - 15,000 Sh	14,297	14,297	Cost	14,874
Govt Tr - 2000 Sh	1,880	1,880	Cost	1,971
Tenn Valley Auth - 15,000	14,163	14,163	Cost	14,622
US Treasury Inf - 30,000	37,454	37,454	Cost	38,588
Total	$ 77,185	$ 77,185		$ 79,890

Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
First Eagle Funds - 615.69 Sh	$	$ 30,682	Cost	$ 27,780
Pimco - 13,828.955 Sh	154,873		Cost	
Pimco Fds Total - 14,288.393		159,887	Cost	155,315
Pimco Funds Pacific - 2903.057		31,476	Cost	28,943
Principal High Yield - 3335.792 Sh	27,280		Cost	
Principal High Yield - 5671.717 Sh		46,629	Cost	41,914
Virtus Opportunities - 10,481.927 Sh		50,211	Cost	49,580
AT&T - 600 Sh	21,591	21,591	Cost	18,144
Abbott Laboratories - 350 Sh		18,993	Cost	19,681
Alliance Bernstein - 3000 Sh	39,415		Cost	
AllianceBernstein GHIF - 4000 Sh		52,463	Cost	56,680
Alliance World Dollar - 3000 Sh	39,072		Cost	
Altria Group - 900 Sh	18,587		Cost	
Altria Group - 700 Sh		15,402	Cost	20,755
American Electric - 500 Sh	18,962	18,962	Cost	20,655
Australia & New Zealand Bkg - 1000 S	21,231		Cost	
Automatic Data Processing - 400 Sh	14,308	14,308	Cost	21,604
Chevron - 250 Sh	13,056	13,056	Cost	26,600
Coca Cola Co - 400 Sh	18,000		Cost	
Coca Cola Co - 300 Sh		13,500	Cost	20,991
Colgage-Palmolive - 250 Sh	21,082		Cost	
Colgate-Palmolive - 200 Sh		16,865	Cost	18,478
Diageo PLC - 300 Sh	23,483	23,483	Cost	26,226

Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Exelon Corp - 500 Sh	$ 21,370	$ 21,370	Cost	$ 21,685
Exxon - 250 Sh	10,973	10,973	Cost	21,190
FedEx - 225 Sh		19,926	Cost	18,790
Ford - 1500 Sh		19,715	Cost	16,140
Illinois Tool Works - 350 Sh		18,920	Cost	16,349
Intel - 800 Sh		18,940	Cost	19,400
Ishares Msci Bric - 1000 Sh	47,485		Cost	
Ishares Barclays - 500 Sh	50,972		Cost	
Ishares Iboxx $Invest - 500 Sh		57,428	Cost	56,880
Johnson & Johnson - 300 Sh	17,915	17,915	Cost	19,674
J P Morgan CAP XII - 1000 Sh	23,836		Cost	
Kinder Morgan Energy - 300 Sh	14,445	14,448	Cost	25,485
Kellogg - 400 Sh	14,518		Cost	
Managed High Income Portf - 1800 Sh	12,315		Cost	
McDonalds - 300 Sh	13,589		Cost	
McDonalds - 200 Sh		9,059	Cost	20,066
Merck & Co - 600 Sh	20,524	20,524	Cost	22,620
Magellan Midstream Partners - 350 Sh	12,491		Cost	
National Grid PLC - 300 Sh		15,478	Cost	14,544
Novartis AG Spon ADR - 400 Sh	22,774	22,774	Cost	22,868
Pengrowth Energy - 1500 Sh	15,961		Cost	
Pengrowth Energy - 1900 Sh		20,214	Cost	20,007
Philip Morris - 400 Sh	16,221		Cost	
Philip Morris - 300 Sh		12,592	Cost	23,544
Powershares - 1500 Sh		45,935	Cost	40,260
Procter & Gamble - 400 Sh	15,826		Cost	
Proctor & Gamble - 300 Sh		12,837	Cost	20,013
Progress Energy - 500 Sh	23,430		Cost	
Rio Tinto - 200 Sh		13,724	Cost	9,784
Royal Bank of Canada - 400 Sh	18,168	18,168	Cost	20,384
Sysco - 600 Sh	13,977		Cost	
Telefonica S A Spon Adr - 250 Sh	20,378		Cost	
Telefonica S A Spon Adr - 750 Sh		20,378	Cost	12,893
Templeton Global Inc Fund - 8000 Sh	75,761		Cost	
Templeton Global Inc Fund - 5500 Sh		52,529	Cost	51,975
Vanguard Reit Etf - 750 Sh		45,375	Cost	43,500
Western Mgd High Income - 5200 Sh	34,534		Cost	

Federal Statements

Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Western Mgd High Income - 7000 Sh	$	$ 46,849	Cost	$ 42,280
3M Co. - 225 Sh	14,202		Cost	
Total	$ 962,605	$ 1,083,579		$ 1,133,677

Statement 7 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Aegon Nv Adr NY Shs - 10,000	$ 10,531	$ 10,531	Cost	$ 10,232
American Express Bank NTS - 10,000	10,072	10,072	Cost	10,453
BankofAmerica Internotes - 10,000	10,212	10,212	Cost	9,723
BankofAmer Funding - 10,000	11,305	11,305	Cost	10,369
Caterpillar Financial Svcs - 5000	5,295	5,295	Cost	5,152
Caterpillar Financial Svcs - 5000	5,000	5,000	Cost	5,161
Duquesne Light Co - 10,000	10,780	10,780	Cost	10,150
General Electric - 5,000	5,168	5,168	Cost	5,073
HSBC FIN Corp Internotes - 10,000	10,642	10,642	Cost	10,205
HSBC Financial Corp - 15,000	15,000	15,000	Cost	15,147
JPM Chase - 1,000		23,836	Cost	25,430
Jeffries Group Inc Bond - 10,000		10,877	Cost	9,850
John Hancock Signature Notes	20,000		Cost	
Natl Rural Util Coop Fin	3,095		Cost	
Northeast Utilities - 3,000	3,268	3,268	Cost	3,173
Prudential Financial Inc - 10,000	10,558	10,558	Cost	10,543
Protective Life Notes	40,000		Cost	
Simon Property Group - 5,000	5,444	5,444	Cost	5,330
Suntrust Bank	12,633		Cost	
Total	$ 189,003	$ 147,988		$ 145,991

Statement 8 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Ally Bank CD - 10,000	$	$ 10,006	Cost	$ 10,035
American Express CD - 27,000	27,000	27,000	Cost	27,048
Capital One Bank CD - 8,000	8,349	8,349	Cost	8,335
Capital One Bank CD - 33,000	35,244	35,244	Cost	34,645
Capital One Bank CD - 15,000	15,888	15,888	Cost	15,756
CIT Bank CD - 20,000	21,149	21,149	Cost	21,075
CIT Bank CD - 20,000		21,074	Cost	21,071
Discover Bank CD - 20,000	20,000		Cost	
Discover Bank CD - 15,000	15,948	15,948	Cost	15,244
Discover Bank CD - 15,000	15,480	15,480	Cost	15,548
Discover Bank CD - 23,000	24,247	24,247	Cost	23,460
First Bank PR CD	20,000		Cost	
National City Bank CD	10,000		Cost	
Total	$ 213,305	$ 194,385		$ 192,217

Federal Statements

Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or $5,000

Name of Manager	Amount
Donnie M. Royal, MD (Deceased 2001)	$
Total	$ 0

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description

Contact Individual in 2A for details

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description

None

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description

None

FILE COPY

Form **8868**
(Rev January 2012)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

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

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

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

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

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

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

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions. Donnie Royal Foundation	Employer identification number (EIN) or ☒ 91-2052930
	Number, street, and room or suite no. If a P.O box, see instructions 3620 Cape Center Dr.	Social security number (SSN) ☐
	City, town or post office, state, and ZIP code. For a foreign address, see instructions Fayetteville NC 28304	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

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

- The books are in the care of ▶ William T. Allen 3620 Cape Center Dr, Fayetteville NC 28304

  Telephone No ▶ 910-323-0191 FAX No. ▶ 910-323-5969
- If the organization does not have an office or place of business in the United States, check this box ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN)______ If this is for the whole group, check this box ▶ ☐ If it is for part of the group, check this box ▶ ☐ and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15/12 , to file the exempt organization return for the organization named above. The extension is for the organization's return for

▶ ☒ calendar year 2011 or

▶ ☐ tax year beginning , and ending .

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

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$ 2,150
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	$
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$ 2,150

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

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