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Form 990-PF

Department of the Treasury
Internal Revenue ServiceReturn 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

JUL 1, 2011

and ending

JUN 30, 2012

Name of foundation

BRADY EDUCATION FOUNDATION, INC.

A Employer identification number

39-6064733

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

100 EUROPA DRIVE, SUITE 351

Room/suite

B Telephone number

919-966-6386

City or town, state, and ZIP code

CHAPEL HILL, NC 27517

G Check all that apply

☐

Initial return

☐

Initial return of a former public charity

☐

Final return

☒

Amended return

☐

Address change

☐

Name change

H Check type of organization

☒

Section 501(c)(3) exempt private foundation

☐

Section 4947(a)(1) nonexempt charitable trust

☐

Other taxable private foundation

I Fair market value of all assets at end of year

from Part II, col. (c), line 16)

>\$ 13,146,026.

J Accounting method

☐ Cash☐ Accrual☒

Other (specify) MODIFIED CASH

(Part I, column (d) must be on cash basis)

C If exemption application is pending check here ☐D 1. Foreign organizations, check here ☐Foreign organizations meeting the 85% test,
2. check here and attach computation ☐E If private foundation status was terminated
under section 507(b)(1)(A), check here ☐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))(a) Revenue and
expenses per books(b) Net investment
income(c) Adjusted net
income(d) Disbursements
for charitable purposes
(cash basis only)

1 Contributions, gifts, grants, etc., received

2 Check ☒ if the foundation is not required to attach Sch. B3 Interest on savings and temporary
cash investments

4 Dividends and interest from securities

5a Gross rents

b Net rental income or (loss)

6a Net gain or (loss) from sale of assets not on line 10

b Gross sales price for all
assets on line 8a

7 Capital gain net income (from Part IV, line 2)

8 Net short-term capital gain

9 Income modifications

10a Gross sales less returns
and allowances

b Less: Cost of goods sold

c Gross profit or (loss)

11 Other income

12 Total. Add lines 1 through 11

13 Compensation of officers, directors, trustees, etc.

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees

b Accounting fees

c Other professional fees

17 Interest

18 Taxes

19 Depreciation and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses

24 Total operating and administrative
expenses. Add lines 13 through 23

25 Contributions, gifts, grants paid

26 Total expenses and disbursements.

Add lines 24 and 25

27 Subtract line 26 from line 12.

a Excess of revenue over expenses and disbursements

b Net investment income (if negative, enter -0-)

c Adjusted net income (if negative, enter -0-)

N/A

13,898.

13,898.

STATEMENT 1

462,339.

462,339.

STATEMENT 2

3,965.

3,965.

2,292.

0.

STATEMENT 3

482,494.

480,202.

31,880.

0.

31,880.

14,315.

7,157.

7,156.

74,704.

72,879.

1,825.

12,121.

0.

2,439.

6,810.

0.

39,806.

0.

19,903.

22,127.

0.

11,063.

201,763.

80,036.

74,266.

619,731.

619,731.

821,494.

80,036.

693,997.

-339,000.

400,166.

N/A

123501
12-02-11

LHA For Paperwork Reduction Act Notice, see instructions.

SCANNED FEB 14 2013

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		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	281,824.	274,308.	274,308.
	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			
	7 Other notes and loans receivable			
	Less allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 10	6,158,474.	5,596,901.	5,596,901.
	c Investments - corporate bonds STMT 11	4,898,520.	5,013,510.	5,013,510.
Liabilities	11 Investments - land, buildings, and equipment basis			
	Less accumulated depreciation			
	12 Investments - mortgage loans			
	13 Investments - other STMT 12	2,631,522.	2,238,302.	2,238,302.
	14 Land, buildings, and equipment basis 54,415.			
	Less accumulated depreciation STMT 13	19,593.	12,782.	12,782.
	15 Other assets (describe STATEMENT 14)	7,168.	10,223.	10,223.
	16 Total assets (to be completed by all filers)	13,997,101.	13,146,026.	13,146,026.
	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			
	22 Other liabilities (describe)			
Net Assets or Fund Balances	23 Total liabilities (add lines 17 through 22)	0.	0.	
	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	13,997,101.	13,146,026.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here <input type="checkbox"/> 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	13,997,101.	13,146,026.	
	31 Total liabilities and net assets/fund balances	13,997,101.	13,146,026.	

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	13,997,101.
2 Enter amount from Part I, line 27a	2	-339,000.
3 Other increases not included in line 2 (itemize)	3	0.
4 Add lines 1, 2, and 3	4	13,658,101.
5 Decreases not included in line 2 (itemize) SEE STATEMENT 9	5	512,075.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	13,146,026.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE ATTACHED SCHEDULE	P	VARIOUS	VARIOUS
b SEE ATTACHED SCHEDULE	P	VARIOUS	VARIOUS
c CAPITAL GAINS DIVIDENDS			
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 1,797,125.		1,826,777.	-29,652.
b 1,442,347.		1,457,893.	-15,546.
c 49,163.			49,163.
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			-29,652.
b			-15,546.
c			49,163.
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	3,965.
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) If (loss), enter -0- in Part I, line 8	{ }	3	N/A

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 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	598,362.	13,504,784.	.044307
2009	600,611.	12,562,971.	.047808
2008	75,022.	11,869,991.	.006320
2007	30,330.	13,289,641.	.002282
2006	10,356.	13,809,249.	.000750

2 Total of line 1, column (d)	2	.101467
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	.020293
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	13,115,632.
5 Multiply line 4 by line 3	5	266,156.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,002.
7 Add lines 5 and 6	7	270,158.
8 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	8	693,997.

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 <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	4,002.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		2	0.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		3	4,002.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
3 Add lines 1 and 2		5	4,002.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		6a	6,080.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		6b	
6 Credits/Payments		6c	
a 2011 estimated tax payments and 2010 overpayment credited to 2011		6d	
b Exempt foreign organizations - tax withheld at source		7	6,080.
c Tax paid with application for extension of time to file (Form 8868)		8	
d Backup withholding erroneously withheld		9	
7 Total credits and payments. Add lines 6a through 6d		10	2,078.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		11	0.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed			
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid			
11 Enter the amount of line 10 to be credited to 2012 estimated tax <input checked="" type="checkbox"/> 2,078. Refunded <input checked="" type="checkbox"/>			

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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input checked="" type="checkbox"/> \$ 0.		
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.		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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?	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.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> WI, 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	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(i)(3) or 4942(i)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		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? Website address ► <u>BRADYEDUCATIONFOUNDATION.ORG</u>	13	X	
14	The books are in care of ► <u>MATT PETERSON/NORTHERN TRUST BANK</u> Telephone no ► <u>414-905-7782</u> Located at ► <u>526 E. WISCONSIN AVENUE, MILWAUKEE, WI</u> ZIP+4 ► <u>53202</u>			
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	N/A	
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
				X

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 checked="" type="checkbox"/> Yes <input 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		1b X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?		1c X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? If "Yes," list the years ►	<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)	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 ►		
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)	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

Form 990-PF (2011)

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)?

☐ 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

6b

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

X

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

7b

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

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.

(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 15		31,880.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

Form 990-PF (2011)

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	13,035,946.
b	Average of monthly cash balances	1b	276,418.
c	Fair market value of all other assets	1c	2,998.
d	Total (add lines 1a, b, and c)	1d	13,315,362.
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	13,315,362.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	199,730.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	13,115,632.
6	Minimum investment return. Enter 5% of line 5	6	655,782.

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	655,782.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	4,002.
b	Income tax for 2011 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	4,002.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	651,780.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	651,780.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	651,780.

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	693,997.
b	Program-related investments - total from Part IX-B	1b	0.
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	693,997.
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	5	4,002.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	689,995.

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				651,780.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			599,997.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 693,997.				
a Applied to 2010, but not more than line 2a			599,997.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				94,000.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus: Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income: Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010: Subtract line 4a from line 2a. Taxable amount - see instructions			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				557,780.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

N/A

- 1 a** 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)

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				
UNIVERSITY OF SOUTH FLORIDA - CO PARENTING 140-7TH AVE., S., KRC 3113 ST. PETERSBURG, FL 33701	NONE	EXEMPT	FUND THE EAST DURHAM CHILDREN'S INITIATIVE FOR EDUCATI	149,448.
CITY UNIVERSITY OF NEW YORK - LITERACY LEARNING AND TECHNOLOGY 665 BROADWAY, SUITE 801 NEW YORK, NY 10012	NONE	EXEMPT	PROMOTE THE CARE AND EDUCATION OF CHILDREN	100,488.
UNC-CHAPEL HILL - EDUCARE STUDY AOB104 AIRPORT DRIVE, SUITE 2200, CB 1350 CHAPEL HILL, NC 27599-1350	NONE	EXEMPT	PROMOTE THE EDUCATION OF CHILDREN	200,000.
NEW YORK CITY COMMON METRIC PROJECT 665 BROADWAY, SUITE 801 NEW YORK, NY 10012	NONE	EXEMPT	PROMOTE THE CARE AND EDUCATION OF CHILDREN	169,795.
Total			3a	619,731.
b Approved for future payment				
NONE				
Total			3b	0.

2011 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1

990-PF

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction in Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	COMPUTER CABLE	031508200DB	5.00	17		1,585.			1,585.	1,294.		179.
2	COMPUTER	022908200DB	5.00	17		2,000.			2,000.	1,633.		226.
3	COMPUTER LEASEHOLD	062608200DB	5.00	17		3,074.			3,074.	2,443.		337.
4	IMPROVEMENT FURNITURE AND	080708SL	5.00	17		19,987.			19,987.	9,993.		3,997.
5	FIXTURES	090408SL	7.00	17		8,012.			8,012.	2,862.		1,145.
6	PAPER SHREDDER	071098SL	5.00	17		672.			672.	672.		0.
7	PHOTOCOPIER	041399SL	5.00	17		8,101.			8,101.	8,101.		0.
8	SPEAKER PHONE	073099SL	5.00	17		1,057.			1,057.	1,057.		0.
9	PRINTER	050708200DB	5.00	17		479.			479.	381.		52.
10	TABLE - 36" TEAK	031387200DB	10.00	17		400.			400.	400.		0.
11	TEAK TABLE - BASE	073188200DB	10.00	17		340.			340.	340.		0.
12	OFFICE FURNITURE	043008200DB	7.00	17		1,708.			1,708.	1,108.		171.
13	OFFICE FURNITURE	050708200DB	7.00	17		7,000.			7,000.	4,540.		703.
* TOTAL 990-PF PG 1 DEPR						54,415.		0.	54,415.	34,824.	0.	6,810.

128102
05-01-11

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
THE NORTHERN TRUST COMPANY	13,898.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	13,898.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
THE NORTHERN TRUST COMPANY	511,502.	49,163.	462,339.
TOTAL TO FM 990-PF, PART I, LN 4	511,502.	49,163.	462,339.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
PY TAX REFUND	2,292.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	2,292.	0.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	14,315.	7,157.		7,156.
TO FORM 990-PF, PG 1, LN 16B	14,315.	7,157.		7,156.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MANAGEMENT FEES	72,879.	72,879.		0.
PROFESSIONAL FEES	1,825.	0.		1,825.
TO FORM 990-PF, PG 1, LN 16C	74,704.	72,879.		1,825.

FORM 990-PF TAXES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAXES	9,682.	0.		0.
PAYROLL TAXES	2,439.	0.		2,439.
TO FORM 990-PF, PG 1, LN 18	12,121.	0.		2,439.

FORM 990-PF OTHER EXPENSES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INSURANCE	3,040.	0.		1,520.
MISCELLANEOUS	12,329.	0.		6,165.
OFFICE SUPPLIES	477.	0.		239.
TELEPHONE	3,300.	0.		1,650.
PAYROLL FEES	1,565.	0.		783.
SUBSCRIPTIONS AND BOOKS	1,416.	0.		706.
TO FORM 990-PF, PG 1, LN 23	22,127.	0.		11,063.

FOOTNOTES STATEMENT 8

AN AMENDED RETURN HAS BEEN FILED AS AN ERROR WAS DISCOVERED ON PAGE 2, PART II. THE FAIR MARKET VALUE OF LINE 10B FOR THE CURRENT YEAR SHOULD HAVE BEEN \$5,596,901. ALL OTHER ITEMS ON THE RETURN WERE CORRECT.

FORM 990-PF	OTHER DECREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	9
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DESCRIPTION	AMOUNT
UNREALIZED LOSS ON MARKETABLE SECURITIES	512,075.
TOTAL TO FORM 990-PF, PART III, LINE 5	512,075.

FORM 990-PF	CORPORATE STOCK	STATEMENT	10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON & PREFERRED STOCKS - SEE ATTACHED	5,596,901.	5,596,901.
TOTAL TO FORM 990-PF, PART II, LINE 10B	5,596,901.	5,596,901.

FORM 990-PF	CORPORATE BONDS	STATEMENT	11
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS - SEE ATTACHED	5,013,510.	5,013,510.
TOTAL TO FORM 990-PF, PART II, LINE 10C	5,013,510.	5,013,510.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	12
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
MUTUAL FUNDS	FMV	2,238,302.	2,238,302.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,238,302.	2,238,302.

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 13

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
COMPUTER CABLE	1,585.	1,294.	291.
COMPUTER	2,000.	1,633.	367.
COMPUTER	3,074.	2,443.	631.
LEASEHOLD IMPROVEMENT	19,987.	9,993.	9,994.
FURNITURE AND FIXTURES	8,012.	2,862.	5,150.
PAPER SHREDDER	672.	672.	0.
PHOTOCOPIER	8,101.	8,101.	0.
SPEAKER PHONE	1,057.	1,057.	0.
PRINTER	479.	381.	98.
TABLE - 36" TEAK	400.	400.	0.
TEAK TABLE - BASE	340.	340.	0.
OFFICE FURNITURE	1,708.	1,108.	600.
OFFICE FURNITURE	7,000.	4,540.	2,460.
TOTAL TO FM 990-PF, PART II, LN 14	54,415.	34,824.	19,591.

FORM 990-PF OTHER ASSETS STATEMENT 14

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
DIVIDENDS RECEIVABLE	4,170.	7,225.	7,225.
RENTAL DEPOSIT	2,998.	2,998.	2,998.
TO FORM 990-PF, PART II, LINE 15	7,168.	10,223.	10,223.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 15

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
PETER J. LETTENBERGER 100 EUROPA DRIVE, SUITE 351 CHAPEL HILL, NC 27517	VICE PRESIDENT & DIRECTOR 1.00	0.	0.	0.
ELIZABETH P. PUNGELLO 100 EUROPA DRIVE, SUITE 351 CHAPEL HILL, NC 27517	PRESIDENT & DIRECTOR 10.00	0.	0.	0.
JAMES M. RAUH 100 EUROPA DRIVE, SUITE 351 CHAPEL HILL, NC 27517	TREASURER & DIRECTOR 1.00	0.	0.	0.
FRANCES CAMPBELL 100 EUROPA DRIVE, SUITE 351 CHAPEL HILL, NC 27517	DIRECTOR 1.00	0.	0.	0.
BARBARA CROCKETT 100 EUROPA DRIVE, SUITE 351 CHAPEL HILL, NC 27517	DIRECTOR 20.00	31,880.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		31,880.	0.	0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 16

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

ELIZABETH PUNGELLO/BRADY EDUCATION FOUNDATION, INC.
100 EUROPA DRIVE, SUITE 351
CHAPEL HILL, NC 27517

TELEPHONE NUMBER

919-240-4942

FORM AND CONTENT OF APPLICATIONS

INFORMATION SUBMITTED SHOULD INCLUDE A LETTER TO FOUNDATION, CERTIFICATE OF
TAX EXEMPT STATUS, OPERATING BUDGET, FINANCIAL STATEMENT

ANY SUBMISSION DEADLINES

NONE: REQUESTS SHOULD BE MADE BY OCTOBER 31ST OF THE CURRENT YEAR

RESTRICTIONS AND LIMITATIONS ON AWARDS

NO GRANTS TO INDIVIDUALS
NO PROGRAM RELATED INVESTMENTS