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Form 990  Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047 2011
	▶ The organization may have to use a copy of this return to satisfy state reporting requirements	Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 07-01-2011 and ending 06-30-2012		D Employer identification number 56-0653350	
B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	C Name of organization NC STATE NATURAL RESOURCES FOUNDATION INC		E Telephone number (919) 513-7149
	Doing Business As		G Gross receipts \$ 7,311,705
	Number and street (or P O box if mail is not delivered to street address) NCSU BOX 7207	Room/suite	
	City or town, state or country, and ZIP + 4 RALEIGH, NC 276957207		
	F Name and address of principal officer MARY PELOQUIN-DODD NCSU BOX 7207 RALEIGH, NC 27695		H(a) Is this a group return for affiliates? ☐ Yes ☒ No
I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () (Insert no) ☐ 4947(a)(1) or ☐ 527		H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions)	
J Website: CNR NCSU.EDU/ALUMNI_FRIENDS/SUPPORT/		H(c) Group exemption number	
K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other		L Year of formation 1929	M State of legal domicile NC

Part I		Summary	
Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO PROMOTE EDUCATION AND RESEARCH IN THE COLLEGE OF NATURAL RESOURCES OF NORTH CAROLINA STATE UNIVERSITY AS WELL AS AID AND PROMOTE, BY FINANCIAL ASSISTANCE AND OTHERWISE, ALL TYPES OF EDUCATION, RESEARCH AND EXTENSION IN THE COLLEGE OF NATURAL RESOURCES		
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	17
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	17
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	7
	6 Total number of volunteers (estimate if necessary)	6	100
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0	
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	1,566,373	1,039,123
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,678,645	4,062,976
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	150,152	205,127
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	60,317	306,976
		6,455,487	5,614,202
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,697,301	1,757,320
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	544,021	585,392
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ☐ 394,444		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	3,974,870	4,345,740
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	6,216,192	6,688,452
	19 Revenue less expenses Subtract line 18 from line 12	239,295	-1,074,250
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	27,073,437	26,918,726
	21 Total liabilities (Part X, line 26)	1,428,992	1,948,305
	22 Net assets or fund balances Subtract line 21 from line 20	25,644,445	24,970,421

Part II		Signature Block	
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
Sign Here	***** Signature of officer		2013-04-16 Date
	MARY PELOQUIN-DODD TREASURER Type or print name and title		
Paid Preparer's Use Only	Preparer's signature	BRIAN SCHEPPERLEY CPA	Date 2013-04-16
	Check if self-employed ☒	Preparer's taxpayer identification number (see instructions) P01332750	
Firm's name (or yours if self-employed), address, and ZIP + 4	WILLIAMS OVERMAN PIERCE LLP 2501 ATRIUM DR SUITE 500 RALEIGH, NC 27607		EIN 56-1031342
			Phone no (919) 782-3444
May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No			

Part III

Statement of Program Service Accomplishments

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

1

Briefly describe the organization’s mission

PROMOTE EDUCATION AND RESEARCH IN THE COLLEGE OF NATURAL RESOURCES OF NORTH CAROLINA STATE UNIVERSITY AS WELL AS AID AND PROMOTE, BY FINANCIAL ASSISTANCE AND OTHERWISE, ALL TYPES OF EDUCATION, RESEARCH AND EXTENSION IN THE COLLEGE OF NATURAL RESOURCES

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

If “Yes,” describe these changes on Schedule O

4

Describe the organization’s program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code) (Expenses \$ 6,168,681 including grants of \$ 1,757,320) (Revenue \$)

TO PROMOTE EDUCATION AND RESEARCH IN THE COLLEGE OF NATURAL RESOURCES OF NORTH CAROLINA STATE UNIVERSITY AS WELL AS AID AND PROMOTE, BY FINANCIAL ASSISTANCE AND OTHERWISE, ALL TYPES OF EDUCATION, RESEARCH AND EXTENSION IN THE COLLEGE OF NATURAL RESOURCES

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4d

Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses \$ 6,168,681

Part IV

Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A.</i> 	1	Yes
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? 	2	Yes
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I.</i>	3	No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II.</i>	4	No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III.</i>	5	No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I.</i> 	6	No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If "Yes," complete Schedule D, Part II.</i> 	7	Yes
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III.</i> 	8	No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV.</i> 	9	No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V.</i> 	10	Yes
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i> 	11a	Yes
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII.</i> 	11b	Yes
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII.</i> 	11c	No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX.</i> 	11d	No
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i> 	11e	Yes
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X.</i> 	11f	Yes
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i> 	12a	Yes
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.</i> 	12b	No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i>	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Part I.</i>	14b	No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? <i>If "Yes," complete Schedule F, Part II and IV.</i>	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? <i>If "Yes," complete Schedule F, Part III and IV.</i>	16	No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I.</i>	17	No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II.</i>	18	No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III.</i>	19	No
20a	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H.</i>	20a	No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance			
Check if Schedule O contains a response to any question in this Part V ☐			
		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. .	1a	16
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.	2a	7
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	No
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?	4a	No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders.	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state.	13a	
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b	
c	Enter the aggregate amount of reserves on hand.	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b	

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.
Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	No
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	8a	Yes
8b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

Section B. Policies

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
10b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
11b	Describe in Schedule O the process, if any, used by the organization to review the Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
12b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	Other officers or key employees of the organization	15b	Yes
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. ☒ Own website ☒ Another's website ☒ Upon request
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. MARY PELOQUIN-DODD NCSU BOX 7207 RALEIGH, NC 27695 (919) 513-7149

Part VII

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

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

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

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

- List all of the organization’s **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization’s **current** key employees, if any See instructions for definition of “key employee ”
- List the organization’s five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization’s **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization’s **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) LOU BOOS DIRECTOR	1 00	X						0	0	0
(2) BRENDA BRICKHOUSE PRESIDENT	1 00	X		X				0	0	0
(3) JIM BUZZARD DIRECTOR	1 00	X						0	0	0
(4) STEVE CONGER DIRECTOR	1 00	X						0	0	0
(5) GUS COTTROS DIRECTOR	1 00	X						0	0	0
(6) BOB HARLEY DIRECTOR	1 00	X						0	0	0
(7) JEFF HEARN DIRECTOR	1 00	X						0	0	0
(8) KEN HINES DIRECTOR	1 00	X						0	0	0
(9) RICK MALM DIRECTOR	1 00	X						0	0	0
(10) DICK PORTERFIELD DIRECTOR	1 00	X						0	0	0
(11) PHIL REA DIRECTOR	1 00	X						0	0	0
(12) ART RAYMOND VICE PRESIDENT	1 00	X		X				0	0	0
(13) PAUL RAYMOND DIRECTOR	1 00	X						0	0	0
(14) LORETHEA THIELE DIRECTOR	1 00	X						0	0	0
(15) BRAD THOMPSON DIRECTOR	1 00	X						0	0	0
(16) SCOTT WALLINGER DIRECTOR	1 00	X						0	0	0
(17) JIM WELLBORN DIRECTOR	1 00	X						0	0	0

Part VII

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) KATHRYN S HART TREASURER	1 00			X				0	216,000	30,450
(19) MARY PELOQUIN-DODD TREASURER	1 00			X				0	0	0
(20) CHARLES LEFFLER ASST TREASURER	1 00			X				0	262,936	36,034
(21) DAVID ASHCRAFT SECRETARY	1 00			X				0	121,252	18,754
(22) ASHLEY FAIRCLOTH DIRECTOR, FOREST OPERATION	40 00					X		158,452	0	28,006
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								158,452	600,188	113,244

2

Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization

1

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

Section B. Independent Contractors

1

Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
JONES LAND DEVELOPING 2145 BELGRADE SWANSBORO RD MAYSVILLE, NC 28555	STRIP SHEARING/BEDDING	457,741
DOUG ARMSTRONG LAND DEVELOPING 8790 NC HWY 45 NORTH BELHAVEN, NC 27810	STRIP SHEARING	205,418
BLUE WATER VEGETATION MANAGEMENT LLC 1517 HWY 129 GALIVANTS FERRY, SC 29544	AERIAL SPRAYING	174,286
RONALD CAVENAUGH DBA ALL SEASONS EXCAVAT 1430 ONSLOW PINES RD JACKSONVILLE, NC 28540	DITCH INSTALLATIONS	134,779
H & J FOREST SERVICES LLC PO BOX 458 HOLLY RIDGE, NC 28445	TREE PLANTING	105,826

2

Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

5

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,039,123			
	g	Noncash contributions included in lines 1a-1f \$ _____					
	h	Total. Add lines 1a-1f			1,039,123		
Program Service Revenue	2a	HOFMANN FOREST	Business Code 110000	4,062,976	4,062,976		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f			4,062,976		
	Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		83,307		
4		Income from investment of tax-exempt bond proceeds . .					
5		Royalties					
6a		Gross rents	(i) Real (ii) Personal				
b		Less rental expenses					
c		Rental income or (loss)					
d		Net rental income or (loss)					
7a		Gross amount from sales of assets other than inventory	(i) Securities (ii) Other	1,819,323			
b		Less cost or other basis and sales expenses		1,697,503			
c		Gain or (loss)		121,820			
d		Net gain or (loss)		121,820			121,820
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a				
b		Less direct expenses	b				
c		Net income or (loss) from fundraising events . .					
9a		Gross income from gaming activities See Part IV, line 19	a				
b		Less direct expenses	b				
c		Net income or (loss) from gaming activities . .					
10a		Gross sales of inventory, less returns and allowances	a				
b		Less cost of goods sold . . .	b				
c		Net income or (loss) from sales of inventory . .					
Miscellaneous Revenue		Business Code					
11a	OTHER INCOME	611600	306,976	306,976			
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d			306,976			
12	Total revenue. See Instructions			5,614,202	4,369,952	0	205,127

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)
Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21	1,757,320	1,757,320		
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	186,458	186,458		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	301,636	301,636		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	7,741	7,741		
9	Other employee benefits	53,658	53,658		
10	Payroll taxes	35,899	35,899		
11	Fees for services (non-employees)				
a	Management				
b	Legal	14,200	12,850		1,350
c	Accounting	70,145	21,345	48,800	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	76,527		76,527	
g	Other	246,957			246,957
12	Advertising and promotion	12,879	9,827		3,052
13	Office expenses	82,629	73,130		9,499
14	Information technology				
15	Royalties				
16	Occupancy	8,302	7,814		488
17	Travel	277,116	242,553		34,563
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	47,655	41,619		6,036
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	100,680	100,680		
23	Insurance	76,606	73,910		2,696
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	OTHER SERVICES	1,679,496	1,679,496		
b	SERVICE AGREEMENTS	1,014,283	953,099		61,184
c	SUPPLIES	376,643	361,394		15,249
d	EQUIPMENT RENTAL	161,734	161,208		526
e					
f	All other expenses	99,888	87,044		12,844
25	Total functional expenses. Add lines 1 through 24f	6,688,452	6,168,681	125,327	394,444
26	Joint costs. Check here ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			253,639	1	232,755
	2	Savings and temporary cash investments			4,826,081	2	4,836,764
	3	Pledges and grants receivable, net				3	320,528
	4	Accounts receivable, net				4	56,851
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use				8	
	9	Prepaid expenses and deferred charges				9	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	10a	1,535,366			
	b	Less: accumulated depreciation	10b	455,861	1,130,337	10c	1,079,505
	11	Investments—publicly traded securities				11	
	12	Investments—other securities. See Part IV, line 11			20,742,053	12	20,300,801
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			121,327	15	91,522
16	Total assets. Add lines 1 through 15 (must equal line 34)			27,073,437	16	26,918,726	
Liabilities	17	Accounts payable and accrued expenses				17	338,207
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D			1,428,992	25	1,610,098
	26	Total liabilities. Add lines 17 through 25			1,428,992	26	1,948,305
	Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.					
27		Unrestricted net assets			8,445,452	27	6,340,261
28		Temporarily restricted net assets			5,175,131	28	5,939,519
29		Permanently restricted net assets			12,023,862	29	12,690,641
Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.							
30		Capital stock or trust principal, or current funds				30	
31		Paid-in or capital surplus, or land, building or equipment fund				31	
32		Retained earnings, endowment, accumulated income, or other funds				32	
33		Total net assets or fund balances			25,644,445	33	24,970,421
34	Total liabilities and net assets/fund balances			27,073,437	34	26,918,726	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	5,614,202
2	Total expenses (must equal Part IX, column (A), line 25)	2	6,688,452
3	Revenue less expenses Subtract line 2 from line 1	3	-1,074,250
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	25,644,445
5	Other changes in net assets or fund balances (explain in Schedule O)	5	400,226
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	24,970,421

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization NC STATE NATURAL RESOURCES FOUNDATION INC	Employer identification number 56-0653350
---	--

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**

2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3

☐

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

5

☒

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)

8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10

☐

An organization organized and operated exclusively to test for public safety Se**section 509(a)(4).**

11

☐

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f

☐

If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box

g

☐

Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
Total									

Part II

Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	1,389,190	706,798	636,510	1,687,671	1,039,123	5,459,292
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	1,389,190	706,798	636,510	1,687,671	1,039,123	5,459,292
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						642,068
6 Public Support. Subtract line 5 from line 4						4,817,224

Section B. Total Support						
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	1,389,190	706,798	636,510	1,687,671	1,039,123	5,459,292
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	670,357	161,232	239,260	119,095	83,307	1,273,251
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets	53,848	225,794	379,019	60,317	306,976	1,025,954
11 Total support (Add lines 7 through 10)						7,758,497
12 Gross receipts from related activities, etc (See instructions)					12	27,888,369
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage		
14	Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f))	14 62 090 %
15	Public Support Percentage for 2010 Schedule A, Part II, line 14	15 56 090 %
16a	33 1/3% support test—2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	☐
b	33 1/3% support test—2010. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	☐
17a	10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization	☐
b	10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization	☐
18	Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions	☐

Part IIIPart III

Support Schedule for Organizations Described in IRC 509(a)(2)
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6.)						

Section B. Total Support						
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11 and 12.)						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage			
15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15		
16 Public support percentage from 2010 Schedule A, Part III, line 15	16		

Section D. Computation of Investment Income Percentage			
17 Investment income percentage for 2011 (line 10c column (f) divided by line 13 column (f))	17		
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18		
19a 33 1/3% support tests—2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization			
b 33 1/3% support tests—2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization			
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions			

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation
SCHEDULE A, PART IV, SUPPLEMENTAL INFORMATION SCHEDULE A, PART II, LINE 10- OTHER INCOME OTHER INCOME IS COMPRISED OF GIFT FEES, BIO RESOURCE ONLINE JOURNAL SUPPORT, SMALL COLLEGE OF NATURAL RESOURCES EVENTS AND HOFFMAN MITIGATION CREDIT SALES

NC State Natural Resources Foundation, Inc.

Statements of Financial Position

June 30, 2012 and 2011

	2012	2011
ASSETS		
Cash and cash equivalents (Note 1)	\$ 3,849,733	\$ 3,875,448
Intermediate investments (Note 1)	1,219,786	1,204,272
Marketable securities (Notes 1 and 3)	20,300,801	20,742,053
Pledges receivable (Notes 1 and 5)	320,528	220,110
Cash surrender value of life insurance	91,522	86,991
Land and timber (Note 1)	773,411	781,437
Land improvements, net of accumulated depreciation of \$12,393 and \$4,131 at 2012 and 2011 respectively (Note 1)	152,842	161,104
Equipment, net of accumulated depreciation of \$443,468 and \$351,049 at 2012 and 2011 respectively (Note 1)	153,252	187,796
Accounts receivable (Note 1)	56,851	94,857
	-	34,336
Total assets	\$ 26,918,726	\$ 27,388,404
LIABILITIES AND NET ASSETS		
Liabilities.		
Accounts payable - North Carolina State University (Note 1)	\$ 2,758	\$ 2,459
Accounts payable (Note 1)	335,449	117,617
Due to others (Note 1)	308,592	108,301
Life income funds payable (Note 6)	1,301,506	1,368,232
Total liabilities	1,948,305	1,596,609
Net Assets.		
Unrestricted		
Undesignated (Note 1)	1,500,056	2,519,198
Undesignated - underwater endowments (Note 2)	(5,490)	(23,301)
Board designated - endowments (Note 2)	4,845,695	4,735,923
Temporarily restricted (Note 9)	5,939,519	6,472,670
Permanently restricted (Note 10)	12,690,641	12,087,305
Total net assets	24,970,421	25,791,795
Total liabilities and net assets	\$ 26,918,726	\$ 27,388,404

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NC STATE NATURAL RESOURCES FOUNDATION INC

Employer identification number
56-0653350

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☐ Yes ☐ No	

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or pleasure) ☐ Preservation of an historically importantly land area
☒ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2

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

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____

4

Number of states where property subject to conservation easement is located ► _____ 1 _____

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☒ No

6

Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ► _____ 8 00

7

Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year
► \$ _____ 1,000

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9

In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a

If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1

► \$ _____

(ii) Assets included in Form 990, Part X

► \$ _____

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a

Revenues included in Form 990, Part VIII, line 1

► \$ _____

b

Assets included in Form 990, Part X

► \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2011

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

3 Using the organization’s accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a** ☐ Public exhibition
- d** ☐ Loan or exchange programs
- b** ☐ Scholarly research
- e** ☐ Other
- c** ☐ Preservation for future generations

4 Provide a description of the organization’s collections and explain how they further the organization’s exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization’s collection? ☐ **Yes** ☐ **No**

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ **Yes** ☐ **No**

b If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ **Yes** ☐ **No**

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a Beginning of year balance	21,610,482	17,854,468	16,109,681	21,425,364	
b Contributions	302,057	1,043,816	230,921	25,751	
c Investment earnings or losses	1,820,678	3,205,308	1,513,866	-4,869,716	
d Grants or scholarships					
e Other expenditures for facilities and programs	2,556,992	493,110		471,718	
f Administrative expenses					
g End of year balance	21,176,225	21,610,482	17,854,468	16,109,681	

2 Provide the estimated percentage of the year end balance held as

- a** Board designated or quasi-endowment ▶ 23 000 %
- b** Permanent endowment ▶ 60 000 %
- c** Term endowment ▶ 17 000 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

	Yes	No
(i) unrelated organizations	3a(i)	No
(ii) related organizations	3a(ii)	No
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		773,411		773,411
b Buildings				
c Leasehold improvements				
d Equipment		596,720	443,468	153,252
e Other		165,235	12,393	152,842
Total. Add lines 1a-1e <i>(Column (d) should equal Form 990, Part X, column (B), line 10(c).)</i> ▶				1,079,505

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements			
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	5,614,202
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	6,688,452
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-1,074,250
4	Net unrealized gains (losses) on investments	4	349,123
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	147,350
8	Other (Describe in Part XIV)	8	-96,247
9	Total adjustments (net) Add lines 4 - 8	9	400,226
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-674,024

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return			
1	Total revenue, gains, and other support per audited financial statements	1	5,845,941
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	349,123
b	Donated services and use of facilities	2b	15,000
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	364,123
3	Subtract line 2e from line 1	3	5,481,818
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	76,527
b	Other (Describe in Part XIV)	4b	55,857
c	Add lines 4a and 4b	4c	132,384
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	5,614,202

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return			
1	Total expenses and losses per audited financial statements	1	6,626,925
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	15,000
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	15,000
3	Subtract line 2e from line 1	3	6,611,925
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	76,527
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	76,527
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	6,688,452

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF HOW ORGANIZATION REPORTS CONSERVATION EASEMENTS	PART II, LINE 9	DONATED EASEMENTS ARE STATED AT FAIR VALUE AS OF THE DATE OF DONATION
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	THE FOUNDATION'S ENDOWMENT CONSISTS OF 205 INDIVIDUAL FUNDS ESTABLISHED FOR A VARIETY OF PURPOSES RELATED TO THE FOUNDATION'S MISSION TO PROMOTE EDUCATION AND RESEARCH IN THE COLLEGE OF NATURAL RESOURCES OF NC STATE UNIVERSITY
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	MANAGEMENT HAS ANALYZED THE TAX POSITIONS TAKEN BY THE FOUNDATION, AND HAS CONCLUDED THAT AS OF JUNE 30, 2012, THERE ARE NO UNCERTAIN POSITIONS TAKEN OR EXPECTED TO BE TAKEN THAT WOULD REQUIRE RECOGNITION OF A LIABILITY (OR ASSET) OR DISCLOSURE IN THE FINANCIAL STATEMENTS
PART XI, LINE 8 - OTHER ADJUSTMENTS		DECREASE IN VALUE OF SPLIT INTEREST AGREEMENT - 55,857. TRANSFER OF FUNDS TO /FROM ASSOCIATED ENTITY -40,390. TOTAL TO SCHEDULE D, PART XI, LINE 8 -96,247
PART XII, LINE 4B - OTHER ADJUSTMENTS		DECREASE IN VALUE OF SPLIT INTEREST 55,857

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization
NC STATE NATURAL RESOURCES FOUNDATION INC

Employer identification number
56-0653350

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) NC STATE UNIVERSITY NCSU BOX 7207 RALEIGH, NC 27695	56-6000756	501(C)(3)	1,757,320		BOOK	N/A	SCHOLARSHIPS, FACULTY SUPPORT, DEPARTMENTAL SUPPORT, AND FACILITY SUPPORT

2

Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

1

3

Enter total number of other organizations listed in the line 1 table

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 GRANTS REPRESENT REIMBURSEMENT OF EXPENSES PROCESSED THROUGH THE UNIVERSITY'S ACCOUNTING SYSTEMS, AND ARE SUBJECT TO UNIVERSITY AND STATE OF NORTH CAROLINA GUIDELINES, IN ADDITION TO ANY RESTRICTIONS PLACED DIRECTLY BY DONORS

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization NC STATE NATURAL RESOURCES FOUNDATION INC	Employer identification number 56-0653350
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Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	No
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	Yes
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

[illegible]

Part IIISupplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
	PART I, LINE 7	ONE EMPLOYEE OF NC STATE NATURAL RESOURCES FOUNDATION, INC IS ELIGIBLE TO RECEIVE INCENTIVE COMPENSATION BASED ON A VARIETY OF BUSINESS-RELATED PERFORMANCE METRICS
SUPPLEMENTAL INFORMATION	PART III	THE BOARD MEMBERS THAT ARE COMPENSATED RECEIVE COMPENSATION FROM NC STATE UNIVERSITY, A 501(C)(3) ORGANIZATION RELATED TO NC STATE NATURAL RESOURCES FOUNDATION. THERE ARE EMPLOYEES OF NC STATE NATURAL RESOURCES THAT ARE PAID DIRECTLY BY NC STATE NATURAL RESOURCES FOUNDATION.

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization

NC STATE NATURAL RESOURCES FOUNDATION INC

Employer identification number

56-0653350

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 1	THE EXECUTIVE COMMITTEE SHALL CONSIST OF THE PRESIDENT, WHO SHALL SERVE AS CHAIR, THE VICE PRESIDENT, THE PAST PRESIDENT AND THE CHAIR OF EACH STANDING COMMITTEE OF THE BOARD THE SECRETARY, TREASURER AND DEAN, COLLEGE OF NATURAL RESOUCES, WILL SERVE EX-OFFICIO AS NONVOTING MEMBERS OF THE EXECUTIVE COMMITTEE BY RESOLUTION ADOPTED BY A MAJORITY OF THE DIRECTORS THEN IN OFFICE, THE BOARD OF DIRECTORS SHALL, AT ITS REGULAR ANNUAL MEETING, APPOINT THE MEMBERS OF THE EXECUTIVE COMMITTEE THE EXECUTIVE COMMITTEE SHALL HAVE AND MAY EXERCISE, IN THE INTERIM BETWEEN MEETINGS OF THE BOARD OF DIRECTORS, AND EXCEPT AS OTHERWISE PROVIDED IN SECTION 5 OF THE BY LAWS, ALL THE POWERS OF THE BOARD OF DIRECTORS EXECUTIVE COMMITTEE MEMBERS APPOINTED BY THE BOARD SHALL SERVE AT THE PLEASURE OF THE BOARD BUT ONLY FOR SO LONG AS THEY ALSO SERVE AS DIRECTORS AND MAINTAIN THEIR QUALIFYING OFFICES OR DESIGNATIONS AS THE CASE MAY BE
	FORM 990, PART VI, SECTION A, LINE 2	DIRECTOR PAUL RAYMOND IS PRESIDENT OF ASHLAND HERCULES, DIRECTOR LOU BOOS IS PRESIDENT OF NORDIC ENGINEERING, DIRECTOR BOB HARLEY IS SALES MANAGER OF PAPERCHINE ASHLAND HERCULES, NORDIC ENGINEERING AND PAPERCHINE ARE ALL SUPPLIERS TO MEADWESTVACO, WHOSE PRESIDENT, JIM BUZZARD, IS ALSO A DIRECTOR
	FORM 990, PART VI, SECTION B, LINE 11	DRAFT 990 IS DISTRIBUTED TO BOARD MEMBERS FOR THEIR REVIEW PRIOR TO FILING
	FORM 990, PART VI, SECTION B, LINE 12C	IN ORDER TO MONITOR AND ENFORCE COMPLIANCE WITH THE ORGANIZATION'S CONFLICT OF INTEREST POLICY, NC STATE NATURAL RESOURCES FOUNDATION FOLLOWS THE FOLLOWING PRACTICES 1) ALL TRANSACTIONS (OTHER THAN EXPENSE REIMBURSEMENTS) BETWEEN THE FOUNDATION AND A DIRECTOR, OFFICER, OR EMPLOYEE OF THE FOUNDATION, MUST BE AUTHORIZED AND APPROVED BY THE FOUNDATION'S BOARD OF DIRECTORS OR RATIFIED IN GOOD FAITH BY THE FOUNDATION'S BOARD OF DIRECTORS AT THE SUBSEQUENT MEETING FOLLOWING THE TRANSACTION 2) NO FOUNDATION DIRECTOR, OFFICER, OR EMPLOYEE HAVING A DIRECT OR INDIRECT INTEREST IN ANY FOUNDATION BUSINESS TRANSACTION MAY BE INVOLVED IN THE DECISION WITH RESPECT TO WHETHER THE FOUNDATION SHOULD ENTER INTO SUCH TRANSACTION FOR PURPOSES OF THIS SECTION, A DIRECTOR, OFFICER OR EMPLOYEE HAS AN INDIRECT INTEREST IN A TRANSACTION IF (A) ANOTHER ENTITY IN WHICH HE HAS A MATERIAL FINANCIAL INTEREST OR IN WHICH HE IS A GENERAL PARTNER IS A PARTY TO THE TRANSACTION, OR (B) ANOTHER ENTITY OF WHICH HE IS A DIRECTOR, OFFICER, OR TRUSTEE IS A PARTY TO THE TRANSACTION AND THE TRANSACTION IS OR SHOULD BE CONSIDERED BY THE BOARD 3) NO SCHOLARSHIP OR FELLOWSHIP AWARD MAY BE MADE TO A DIRECTOR, OFFICER, OR EMPLOYEE OF THE FOUNDATION OR TO A FAMILY MEMBER OF ANY SUCH PERSON UNLESS THE RECIPIENT OF THE AWARD IS DETERMINED BY AN INDEPENDENT AWARDS COMMITTEE
	FORM 990, PART VI, SECTION B, LINE 15	THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS ALSO SERVES AS THE HR/EMPLOYEE BENEFITS COMMITTEE COMPENSATION DECISIONS ARE RECOMMENDED TO THIS COMMITTEE BY THE DIRECTOR OF FOREST OPERATIONS FOR HIS EMPLOYEES AND ARE BROUGHT BEFORE THE COMMITTEE FOR APPROVAL THE EXECUTIVE COMMITTEE RECOMMENDS, DETERMINES, AND APPROVES SALARY AND OTHER COMPENSATION ELEMENTS FOR THE DIRECTOR OF FOREST OPERATIONS, IN ADDITION TO APPROVING RECOMMENDATIONS FROM THE DIRECTOR ABOUT HIS STAFF
	FORM 990, PART VI, SECTION C, LINE 18	THE 990 IS LISTED ON THE WEBSITE HTTP://WWW.FIS.NCSU.EDU/FOUNDATIONS_ACCOUNTING/FOUNDATIONS/NATRES.ASP AND AVAILABLE THROUGH GUIDESTAR FORM 1023 (WHICH WAS FILED PRIOR TO JULY 15, 1987) IS NOT PUBLICLY AVAILABLE
	FORM 990, PART VI, SECTION C, LINE 19	THE AUDITED FINANCIAL STATEMENTS ARE AVAILABLE ON THE WEBSITE HTTP://WWW.FIS.NCSU.EDU/FOUNDATIONS_ACCOUNTING/FOUNDATIONS/NATRES.ASP OTHER GOVERNING DOCUMENTS ARE MADE AVAILABLE UPON REQUEST
	FORM 990, PART VII, SECTION A-HOURS FOR RELATED ORGANIZATIONS	THE BOARD OF DIRECTORS AND OFFICERS OF THE NC STATE NATURAL RESOURCES FOUNDATION, INC THAT ARE COMPENSATED BY NC STATE UNIVERSITY DEVOTE AN AVERAGE OF 40 HOURS PER WEEK TO RELATED ORGANIZATIONS
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED GAINS ON INVESTMENTS 349,123 PRIOR PERIOD ADJUSTMENTS 147,350 DECREASE IN VALUE OF SPLIT INTEREST AGREEMENT -55,857 TRANSFER OF FUNDS TO/FROM ASSOCIATED ENTITY -40,390 TOTAL TO FORM 990, PART XI, LINE 5 400,226
	FORM 990, PART XII, LINE 1	NORTH CAROLINA NATURAL RESOURCES FOUNDATION, INC HAS CHANGED FROM CASH BASIS TO ACCRUAL BASIS ON FORM 990 IN ORDER TO CORRESPOND TO THE ACCOUNTING METHOD USED FOR THE FINANCIAL STATEMENT FORM 3115 IS BEING FILED

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NC STATE NATURAL RESOURCES FOUNDATION INC

Employer identification number
56-0653350

Part I

Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II

Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
See Additional Data Table							

Part III

Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) CHARITABLE REMAINDER TRUSTS (3)	ASSET INVESTMENT	NC	NC STATE NATURAL RESOURCES FOUNDATION	T			

Part V

Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III or IV

1

During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a

Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b

Gift, grant, or capital contribution to related organization(s)

c

Gift, grant, or capital contribution from related organization(s)

d

Loans or loan guarantees to or for related organization(s)

e

Loans or loan guarantees by related organization(s)

f

Sale of assets to related organization(s)

g

Purchase of assets from related organization(s)

h

Exchange of assets with related organization(s)

i

Lease of facilities, equipment, or other assets to related organization(s)

j

Lease of facilities, equipment, or other assets from related organization(s)

k

Performance of services or membership or fundraising solicitations for related organization(s)

l

Performance of services or membership or fundraising solicitations by related organization(s)

m

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

n

Sharing of paid employees with related organization(s)

o

Reimbursement paid to related organization(s) for expenses

p

Reimbursement paid by related organization(s) for expenses

q

Other transfer of cash or property to related organization(s)

r

Other transfer of cash or property from related organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

Yes

No

No

No

No

No

Yes

Yes

Yes

Yes

Yes

Yes

Yes

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Schedule R (Form 990) 2011

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII

Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation	
------------	------------------	-------------	--

Software ID:

Software Version:

EIN: 56-0653350

Name: NC STATE NATURAL RESOURCES FOUNDATION INC

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c) (3))	(f) Direct Controlling Entity	(g) Section 512 (b)(13) controlled organization	
NC STATE UNIVERSITY FOUNDATION INC NCSU BOX 7207 RALEIGH, NC 27695 56-6049503	SUPPORTS THE VARIOUS COLLEGES WITHIN THE UNIVERSITY	NC	501(C) (3)	170(B)(1)(A) (IV)	N/A		No
NC STATE INVESTMENT FUND INC NCSU BOX 7207 RALEIGH, NC 27695 31-1607634	INVEST FUNDS OF NC STATE UNIVERSITY ENDOWMENT AND RELATED ENTITIES	NC	501(C) (3)	509(A)(3)	N/A		No
NC STATE UNIVERSITY NCSU BOX 7207 RALEIGH, NC 27695 56-6000756	EDUCATION	NC	501(C) (3)	170(B)(1)(A) (II)	N/A		No
THE NORTH CAROLINA AGRICULTURAL FOUNDATION INC NCSU BOX 7207 RALEIGH, NC 27695 56-6049304	SUPPORTS THE COLLEGE OF AGRICULTURE AND LIFE SCIENCES AT NCSU	NC	501(C) (3)	170(B)(1)(A) (IV)	N/A		No
NC STATE UNIVERSITY ALUMNI ASSOCIATION INC NCSU BOX 7207 RALEIGH, NC 27695 56-6035544	PROMOTES ALUMNI AFFAIRS & AWARENESS OF NCSU IN COMMUNITY	NC	501(C) (3)	170(B)(1)(A) (IV)	N/A		No
NC STATE ENGINEERING FOUNDATION INC NCSU BOX 7207 RALEIGH, NC 27695 56-6046987	SUPPORTS THE COLLEGE OF ENGINEERING AT NCSU	NC	501(C) (3)	170(B)(1)(A) (IV)	N/A		No
NC STATE PHYSICAL & MATHEMATICAL SCIENCES FOUNDATION INC NCSU BOX 7207 RALEIGH, NC 27695 58-1524289	SUPPORTS THE SCHOOL OF PHYSICAL & MATHEMATICAL SCIENCES AT NCSU	NC	501(C) (3)	170(B)(1)(A) (IV)	N/A		No
NORTH CAROLINA TOBACCO FOUNDATION INC NCSU BOX 7207 RALEIGH, NC 27695 59-1715828	SUPPORTS THE TOBACCO CURRICULUM AT NCSU	NC	501(C) (3)	170(B)(1)(A) (IV)	N/A		No
NORTH CAROLINA VETERINARY MEDICAL FOUNDATION INC NCSU BOX 7207 RALEIGH, NC 27695 58-1344473	PROVIDES FINANCIAL SUPPORT IN THE FIELD OF VETERINARY MEDICINE	NC	501(C) (3)	170(B)(1)(A) (IV)	N/A		No
NC STATE UNIVERSITY PARTNERSHIP CORPORATION NCSU BOX 7207 RALEIGH, NC 27695 56-1444287	SUPPORT ORGANIZATION OF NC STATE UNIVERSITY	NC	501(C) (3)	509(A)(3)	N/A		No
NC STATE UNIVERSITY STUDENT AID ASSOCIATION NCSU BOX 7207 RALEIGH, NC 27695 56-0650623	SUPPORTS ATHLETIC PROGRAM AT NCSU	NC	501(C) (3)	170(B)(1)(A) (IV)	N/A		No
NORTH CAROLINA TEXTILE FOUNDATION INC NCSU BOX 7207 RALEIGH, NC 27695 56-6045324	AIDS EDUCATION & RESEARCH IN THE COLLEGE OF TEXTILES AT NCSU	NC	501(C) (3)	170(B)(1)(A) (IV)	N/A		No

Application for Change in Accounting Method

OMB No. 1545-0152

Name of filer (name of parent corporation if a consolidated group) (see instructions) <u>NC STATE NATURAL RESOURCES FOUNDATION, INC</u> Number, street, and room or suite no. If a P.O. box, see the instructions <u>NCSU BOX 7207</u> City or town, state, and ZIP code <u>RALEIGH, NC 27695</u> Name of applicant(s) (if different than filer) and identification number(s) (see instructions)		Identification number (see instructions) <u>56-0653350</u> Principal business activity code number (see instructions) <u>813000</u> Tax year of change begins (MM/DD/YYYY) <u>7/1/2011</u> Tax year of change ends (MM/DD/YYYY) <u>6/30/2012</u> Name of contact person (see instructions) <u>MARY PELOQUIN-DODD</u> Contact person's telephone number <u>919-513-7149</u>
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If the applicant is a member of a consolidated group, check this box ☐
 If Form 2848, Power of Attorney and Declaration of Representative, is attached (see instructions for when Form 2848 is required), check this box ☐

Check the box to indicate the type of applicant. ☐ Individual ☐ Corporation ☐ Controlled foreign corporation (Sec. 957) ☐ 10/50 corporation (Sec. 904(d)(2)(E)) ☐ Qualified personal service corporation (Sec. 448(d)(2)) ☒ Exempt organization. Enter Code section <u>501(C)(3)</u>	Check the appropriate box to indicate the type of accounting method change being requested. (see instructions) ☐ Depreciation or Amortization ☐ Financial Products and/or Financial Activities of Financial Institutions ☒ Other (specify) <u>CASH TO ACCRUAL OVERALL METHOD OF ACCOUNTING</u>
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Caution: To be eligible for approval of the requested change in method of accounting, the taxpayer must provide all information that is relevant to the taxpayer or to the taxpayer's requested change in method of accounting. This includes all information requested on this Form 3115 (including its instructions), as well as any other information that is not specifically requested.

The taxpayer must attach all applicable supplemental statements requested throughout this form.

Part I Information For Automatic Change Request

		Yes	No
1 Enter the applicable designated automatic accounting method change number for the requested automatic change. Enter only one designated automatic accounting method change number, except as provided for in guidance published by the IRS. If the requested change has no designated automatic accounting method change number, check "Other," and provide both a description of the change and citation of the IRS guidance providing the automatic change. See instructions. (a) Change No. <u>122</u> (b) Other ☐ Description <u>_____</u>			
2 Do any of the scope limitations described in section 4.02 of Rev. Proc. 2008-52 cause automatic consent to be unavailable for the applicant's requested change? If "Yes," attach an explanation.			X

Note: Complete Part II below and then Part IV, and also Schedules A through E of this form (if applicable).

Part II Information For All Requests

		Yes	No
3 Did or will the applicant cease to engage in the trade or business to which the requested change relates, or terminate its existence, in the tax year of change (see instructions)? If "Yes," the applicant is not eligible to make the change under automatic change request procedures.			X
4a Does the applicant (or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) have any Federal income tax return(s) under examination (see instructions)? If "No," go to line 5.			X
b Is the method of accounting the applicant is requesting to change an issue (with respect to either the applicant or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) either (i) under consideration or (ii) placed in suspense (see instructions)?			X

Signature (see instructions)

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

Filer

Mary Pelouquin-Dodd
Signature and date

Preparer (other than filer/applicant)

Brian Schepperley 3-1-13
Signature of individual preparing the application and date

MARY PELOQUIN-DODD, TREASURER
Name and title (print or type)

BRIAN SCHEPPERLEY, CPA
Name of individual preparing the application (print or type)

WILLIAMS OVERMAN PIERCE, LLP
Name of firm preparing the application

Part II Information For All Requests (continued)

	Yes	No
4 c Is the method of accounting the applicant is requesting to change an issue pending (with respect to either the applicant or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) for any tax year under examination (see instructions)?		X
d Is the request to change the method of accounting being filed under the procedures requiring that the operating division director consent to the filing of the request (see instructions)? If "Yes," attach the consent statement from the director		X
e Is the request to change the method of accounting being filed under the 90-day or 120-day window period? If "Yes," check the box for the applicable window period and attach the required statement (see instructions) ☐ 90 day ☐ 120 day. Date examination ended ▶		X
f If you answered "Yes" to line 4a, enter the name and telephone number of the examining agent and the tax year(s) under examination Name ▶ Telephone number ▶ Tax year(s) ▶		
g Has a copy of this Form 3115 been provided to the examining agent identified on line 4f?		X
5 a Does the applicant (or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) have any Federal income tax return(s) before Appeals and/or a Federal court? If "Yes," enter the name of the (check the box) ☐ Appeals officer and/or ☐ counsel for the government, telephone number, and the tax year(s) before Appeals and/or a Federal court Name ▶ Telephone number ▶ Tax year(s) ▶		X
b Has a copy of this Form 3115 been provided to the Appeals officer and/or counsel for the government identified on line 5a?		X
c Is the method of accounting the applicant is requesting to change an issue under consideration by Appeals and/or a Federal court (for either the applicant or any present or former consolidated group in which the applicant was a member for the tax year(s) the applicant was a member) (see instructions)? If "Yes," attach an explanation		X
6 If the applicant answered "Yes" to line 4a and/or 5a with respect to any present or former consolidated group, attach a statement that provides each parent corporation's (a) name, (b) identification number, (c) address, and (d) tax year(s) during which the applicant was a member that is under examination, before an Appeals office, and/or before a Federal court.		
7 If, for federal income tax purposes, the applicant is either an entity (including a limited liability company) treated as a partnership or an S corporation, is it requesting a change from a method of accounting that is an issue under consideration in an examination, before Appeals, or before a Federal court, with respect to a Federal income tax return of a partner, member, or shareholder of that entity? If "Yes," the applicant is not eligible to make the change		X
8 a Does the applicable revenue procedure (advance consent or automatic consent) state that the applicant does not receive audit protection for the requested change (see instructions)?		X
b If "Yes," attach an explanation		
9 a Has the applicant, its predecessor, or a related party requested or made (under either an automatic change procedure or a procedure requiring advance consent) a change in method of accounting within the past 5 years (including the year of the requested change)?	X	
b If "Yes," for each trade or business, attach a description of each requested change in method of accounting (including the tax year of change) and state whether the applicant received consent SEE ATTACHMENT		
c If any application was withdrawn, not perfected, or denied, or if a Consent Agreement granting a change was not signed and returned to the IRS, or the change was not made or not made in the requested year of change, attach an explanation		
10 a Does the applicant, its predecessor, or a related party currently have pending any request (including any concurrently filed request) for a private letter ruling, change in method of accounting, or technical advice?		X
b If "Yes," for each request attach a statement providing the name(s) of the taxpayer, identification number(s), the type of request (private letter ruling, change in method of accounting, or technical advice), and the specific issue(s) in the request(s)		
11 Is the applicant requesting to change its overall method of accounting? If "Yes," check the appropriate boxes below to indicate the applicant's present and proposed methods of accounting. Also, complete Schedule A on page 4 of this form	X	
Present method: ☒ Cash ☐ Accrual ☐ Hybrid (attach description)		
Proposed method: ☐ Cash ☒ Accrual ☐ Hybrid (attach description)		

Part II Information For All Requests (continued)

12 If the applicant is either (i) **not** changing its overall method of accounting, or (ii) is changing its overall method of accounting and also changing to a special method of accounting for one or more items, attach a detailed and complete description for each of the following:

- a The item(s) being changed
- b The applicant's present method for the item(s) being changed
- c The applicant's proposed method for the item(s) being changed
- d The applicant's present overall method of accounting (cash, accrual, or hybrid)

13 Attach a detailed and complete description of the applicant's trade(s) or business(es), and the principal business activity code for each. If the applicant has more than one trade or business as defined in Regulations section 1.446-1(d), describe whether each trade or business is accounted for separately, the goods and services provided by each trade or business and any other types of activities engaged in that generate gross income, the overall method of accounting for each trade or business, and which trade or business is requesting to change its accounting method as part of this application or a separate application. EXEMPT ORG- SEC 170(B)(1)(A)(IV)

14 Will the proposed method of accounting be used for the applicant's books and records and financial statements? For insurance companies, see the instructions.
If "No," attach an explanation.

15a Has the applicant engaged, or will it engage, in a transaction to which section 381(a) applies (e.g., a reorganization, merger, or liquidation) during the proposed tax year of change determined without regard to any potential closing of the year under section 381(b)(1)?

b If "Yes," for the items of income and expense that are the subject of this application, attach a statement identifying the methods of accounting used by the parties to the section 381(a) transaction immediately before the date of distribution or transfer and the method(s) that would be required by section 381(c)(4) or (c)(5) absent consent to the change(s) requested in this application.

16 Does the applicant request a conference with the IRS National Office if the IRS proposes an adverse response?

17 If the applicant is changing to either the overall cash method, an overall accrual method, or is changing its method of accounting for any property subject to section 263A, any long-term contract subject to section 460, or inventories subject to section 474, enter the applicant's gross receipts for the 3 tax years preceding the tax year of change:

1st preceding year ended mo	yr	2nd preceding year ended mo	yr	3rd preceding year ended mo	yr
6/30	2011	6/30	2010	6/30	2009
\$ 6,486,058.00		\$ 8,416,073.00		\$ 10,526,793.00	

Part III Information For Advance Consent Request

18 Is the applicant's requested change described in any revenue procedure, revenue ruling, notice, regulation, or other published guidance as an automatic change request?
If "Yes," attach an explanation describing why the applicant is submitting its request under advance consent request procedures.

19 Attach a full explanation of the legal basis supporting the proposed method for the item being changed. Include a detailed and complete description of the facts that explains how the law specifically applies to the applicant's situation and that demonstrates that the applicant is authorized to use the proposed method. Include all authority (statutes, regulations, published rulings, court cases, etc.) supporting the proposed method. Also, include either a discussion of the contrary authorities or a statement that no contrary authority exists.

20 Attach a copy of all documents related to the proposed change (see instructions).

21 Attach a statement of the applicant's reasons for the proposed change.

22 If the applicant is a member of a consolidated group for the year of change, do all other members of the consolidated group use the proposed method of accounting for the item being changed?
If "No," attach an explanation.

23a Enter the amount of **user fee** attached to this application (see instructions) ▶ \$ _____

b If the applicant qualifies for a reduced user fee, attach the required information or certification (see instructions).

Part IV Section 481(a) Adjustment

24 Does the applicable revenue procedure, revenue ruling, notice, regulation, or other published guidance require the applicant to implement the requested change in method of accounting on a cut-off basis rather than a section 481(a) adjustment?
If "Yes," do not complete lines 25, 26, and 27 below.

25 Enter the section 481(a) adjustment. Indicate whether the adjustment is an increase (+) or a decrease (-) in income. ▶ \$ _____ + 147,350.00. Attach a summary of the computation and an explanation of the methodology used to determine the section 481(a) adjustment. If it is based on more than one component, show the computation for each component. If more than one applicant is applying for the method change on the same application, attach a list of the name, identification number, principal business activity code (see instructions), and the amount of the section 481(a) adjustment attributable to each applicant.

Part IV Section 481(a) Adjustment (continued)

	Yes	No
26 If the section 481(a) adjustment is an increase to income of less than \$25,000, does the applicant elect to take the entire amount of the adjustment into account in the year of change?		
27 Is any part of the section 481(a) adjustment attributable to transactions between members of an affiliated group, a consolidated group, a controlled group, or other related parties?		X
If "Yes," attach an explanation		

Schedule A - Change in Overall Method of Accounting (If Schedule A applies, Part I below must be completed.)**Part I Change in Overall Method** (see instructions)

- 1** Enter the following amounts as of the close of the tax year preceding the year of change. If none, state "None." Also, attach a statement providing a breakdown of the amounts entered on lines 1a through 1g.
- | | Amount |
|---|---------------|
| a Income accrued but not received (such as accounts receivable) | \$ 314,967.00 |
| b Income received or reported before it was earned (such as advanced payments). Attach a description of the income and the legal basis for the proposed method. | |
| c Expenses accrued but not paid (such as accounts payable) | -167,617.00 |
| d Prepaid expenses previously deducted | |
| e Supplies on hand previously deducted and/or not previously reported | |
| f Inventory on hand previously deducted and/or not previously reported. Complete Schedule D, Part II. | |
| g Other amounts (specify). Attach a description of the item and the legal basis for its inclusion in the calculation of the section 481(a) adjustment. | |
| h Net section 481(a) adjustment (Combine lines 1a-1g.) Indicate whether the adjustment is an increase (+) or decrease (-) in income. Also enter the net amount of this section 481(a) adjustment amount on Part IV, line 25. | \$ 147,350.00 |
- 2** Is the applicant also requesting the recurring item exception under section 461(h)(3)? ☐ Yes ☒ No
- 3** Attach copies of the profit and loss statement (Schedule F (Form 1040) for farmers) and the balance sheet, if applicable, as of the close of the tax year preceding the year of change. Also attach a statement specifying the accounting method used when preparing the balance sheet. If books of account are not kept, attach a copy of the business schedules submitted with the Federal income tax return or other return (e.g., tax-exempt organization returns) for that period. If the amounts in Part I, lines 1a through 1g, do not agree with those shown on both the profit and loss statement and the balance sheet, attach a statement explaining the differences.

Part II Change to the Cash Method For Advance Consent Request (see instructions)

Applicants requesting a change to the cash method must attach the following information:

- A description of inventory items (items whose production, purchase, or sale is an income-producing factor) and materials and supplies used in carrying out the business.
- An explanation as to whether the applicant is required to use the accrual method under any section of the Code or regulations.

Schedule B - Change to the Deferral Method for Advance Payments (see instructions)

- If the applicant is requesting to change to the Deferral Method for advance payments described in section 5.02 of Rev. Proc. 2004-34, 2004-1 C.B. 991, attach the following information:
 - A statement explaining how the advance payments meet the definition in section 4.01 of Rev. Proc. 2004-34.
 - If the applicant is filing under the automatic change procedures of Rev. Proc. 2008-52, the information required by section 8.02(3)(a)-(c) of Rev. Proc. 2004-34.
 - If the applicant is filing under the advance consent provisions of Rev. Proc. 97-27, the information required by section 8.03(2)(a)-(f) of Rev. Proc. 2004-34.
- If the applicant is requesting to change to the deferral method for advance payments described in Regulations section 1.451-5(b)(1)(ii), attach the following:
 - A statement explaining how the advance payments meet the definition in Regulations section 1.451-5(a)(1).
 - A statement explaining what portions of the advance payments, if any, are attributable to services, whether such services are integral to the provisions of goods or items, and whether any portions of the advance payments that are attributable to non-integral services are less than five percent of the total contract prices. See Regulations sections 1.451-5(a)(2)(i) and (3).
 - A statement explaining that the advance payments will be included in income no later than when included in gross receipts for purposes of the applicant's financial reports. See Regulations section 1.451-5(b)(1)(ii).
 - A statement explaining whether the inventorable goods exception of Regulations section 1.451-5(c) applies and if so, when substantial advance payments will be received under the contracts, and how the exception will limit the deferral of income.

Schedule C - Changes Within the LIFO Inventory Method (see instructions)**Part I General LIFO Information**

Complete this section if the requested change involves changes within the LIFO inventory method. Also, attach a copy of all **Forms 970, Application To Use LIFO Inventory Method**, filed to adopt or expand the use of the LIFO method.

- 1 Attach a description of the applicant's present and proposed LIFO methods and submethods for each of the following items:
 - a Valuing inventory (e.g., unit method or dollar-value method)
 - b Pooling (e.g., by line or type or class of goods, natural business unit, multiple pools, raw material content, simplified dollar-value method, inventory price index computation (IPIC) pools, vehicle-pool method, etc.)
 - c Pricing dollar-value pools (e.g., double-extension, index, link-chain, link-chain index, IPIC method, etc.)
 - d Determining the current-year cost of goods in the ending inventory (i.e., most recent acquisitions, earliest acquisitions during the current year, average cost of current-year acquisitions, or other permitted method)
- 2 If any present method or submethod used by the applicant is not the same as indicated on Form(s) 970 filed to adopt or expand the use of the method, attach an explanation.
- 3 If the proposed change is not requested for all the LIFO inventory, attach a statement specifying the inventory to which the change is and is not applicable.
- 4 If the proposed change is not requested for all of the LIFO pools, attach a statement specifying the LIFO pool(s) to which the change is applicable.
- 5 Attach a statement addressing whether the applicant values any of its LIFO inventory on a method other than cost. For example, if the applicant values some of its LIFO inventory at retail and the remainder at cost, identify which inventory items are valued under each method.
- 6 If changing to the IPIC method, attach a completed Form 970.

Part II Change in Pooling Inventories

- 1 If the applicant is proposing to change its pooling method or the number of pools, attach a description of the contents of, and state the base year for, each dollar-value pool the applicant presently uses and proposes to use.
- 2 If the applicant is proposing to use natural business unit (NBU) pools or requesting to change the number of NBU pools, attach the following information (to the extent not already provided) in sufficient detail to show that each proposed NBU was determined under Regulations section 1.472-8(b)(1) and (2):
 - a A description of the types of products produced by the applicant. If possible, attach a brochure.
 - b A description of the types of processes and raw materials used to produce the products in each proposed pool.
 - c If all of the products to be included in the proposed NBU pool(s) are not produced at one facility, state the reasons for the separate facilities, the location of each facility, and a description of the products each facility produces.
 - d A description of the natural business divisions adopted by the taxpayer. State whether separate cost centers are maintained and if separate profit and loss statements are prepared.
 - e A statement addressing whether the applicant has inventories of items purchased and held for resale that are not further processed by the applicant, including whether such items, if any, will be included in any proposed NBU pool.
 - f A statement addressing whether all items including raw materials, goods-in-process, and finished goods entering into the entire inventory investment for each proposed NBU pool are presently valued under the LIFO method. Describe any items that are not presently valued under the LIFO method that are to be included in each proposed pool.
 - g A statement addressing whether, within the proposed NBU pool(s), there are items both sold to unrelated parties and transferred to a different unit of the applicant to be used as a component part of another product prior to final processing.
- 3 If the applicant is engaged in manufacturing and is proposing to use the multiple pooling method or raw material content pools, attach information to show that each proposed pool will consist of a group of items that are substantially similar. See Regulations section 1.472-8(b)(3).
- 4 If the applicant is engaged in the wholesaling or retailing of goods and is requesting to change the number of pools used, attach information to show that each of the proposed pools is based on customary business classifications of the applicant's trade or business. See Regulations section 1.472-8(c).

Schedule D - Change in the Treatment of Long-Term Contracts Under Section 460, Inventories, or Other Section 263A Assets (see instructions)**Part I Change in Reporting Income From Long-Term Contracts** (Also complete Part III on pages 7 and 8.)

- 1 To the extent not already provided, attach a description of the applicant's present and proposed methods for reporting income and expenses from long-term contracts. Also, attach a representative actual contract (without any deletion) for the requested change. If the applicant is a construction contractor, attach a detailed description of its construction activities.
- 2 a Are the applicant's contracts long-term contracts as defined in section 460(f)(1) (see instructions)? ☐ Yes ☐ No
 b If "Yes," do all the contracts qualify for the exception under section 460(e) (see instructions)? ☐ Yes ☐ No
 If line 2b is "No," attach an explanation.
- c If line 2b is "Yes," is the applicant requesting to use the percentage-of-completion method using cost-to-cost under Regulations section 1.460-4(b)? ☐ Yes ☐ No
 d If line 2c is "No," is the applicant requesting to use the exempt-contract percentage-of-completion method under Regulations section 1.460-4(c)(2)? ☐ Yes ☐ No
 If line 2d is "Yes," attach an explanation of what cost comparison the applicant will use to determine a contract's completion factor.
 If line 2d is "No," attach an explanation of what method the applicant is using and the authority for its use.
- 3 a Does the applicant have long-term manufacturing contracts as defined in section 460(f)(2)? ☐ Yes ☐ No
 b If "Yes," attach an explanation of the applicant's present and proposed method(s) of accounting for long-term manufacturing contracts.
 c Attach a description of the applicant's manufacturing activities, including any required installation of manufactured goods.
- 4 To determine a contract's completion factor using the percentage-of-completion method:
 a Will the applicant use the cost-to-cost method in Regulations section 1.460-4(b)? ☐ Yes ☐ No
 b If line 4a is "No," is the applicant electing the simplified cost-to-cost method (see section 460(b)(3) and Regulations section 1.460-5(c))? ☐ Yes ☐ No
- 5 Attach a statement indicating whether any of the applicant's contracts are either cost-plus long-term contracts or Federal long-term contracts.

Part II Change in Valuing Inventories Including Cost Allocation Changes (Also complete Part III on pages 7 and 8.)

- 1 Attach a description of the inventory goods being changed.
- 2 Attach a description of the inventory goods (if any) NOT being changed.
- 3 a Is the applicant subject to section 263A? If "No," go to line 4a. ☐ Yes ☐ No
 b Is the applicant's present inventory valuation method in compliance with section 263A (see instructions)? ☐ Yes ☐ No
 If "No," attach a detailed explanation.
- 4 a Check the appropriate boxes below.
- | | Inventory Being Changed | | Inventory Not Being Changed |
|------------------------------------|-------------------------|-----------------|-----------------------------|
| | Present method | Proposed method | Present method |
| Identification methods: | | | |
| Specific identification | | | |
| FIFO | | | |
| LIFO | | | |
| Other (attach explanation) | | | |
| Valuation methods: | | | |
| Cost | | | |
| Cost or market, whichever is lower | | | |
| Retail cost | | | |
| Retail, lower of cost or market | | | |
| Other (attach explanation) | | | |
- b Enter the value at the end of the tax year preceding the year of change.
- 5 If the applicant is changing from the LIFO inventory method to a non-LIFO method, attach the following information (see instructions):
- a Copies of Form(s) 970 filed to adopt or expand the use of the method.
- b **Only for applicants requesting advance consent.** A statement describing whether the applicant is changing to the method required by Regulations section 1.472-6(a) or (b), or whether the applicant is proposing a different method.
- c **Only for applicants requesting an automatic change.** The statement required by section 22.01(5) of the Appendix of Rev. Proc. 2008-52 (or its successor).

Part III Method of Cost Allocation (Complete this part if the requested change involves either property subject to section 263A or long-term contracts as described in section 460 (see instructions)).

Section A - Allocation and Capitalization Methods

Attach a description (including sample computations) of the present and proposed method(s) the applicant uses to capitalize direct and indirect costs properly allocable to real or tangible personal property produced and property acquired for resale, or to allocate and, where appropriate, capitalize direct and indirect costs properly allocable to long-term contracts. Include a description of the method(s) used for allocating indirect costs to intermediate cost objectives such as departments or activities prior to the allocation of such costs to long-term contracts, real or tangible personal property produced, and property acquired for resale. The description must include the following:

- 1 The method of allocating direct and indirect costs (i.e., specific identification, burden rate, standard cost, or other reasonable allocation method).
- 2 The method of allocating mixed service costs (i.e., direct reallocation, step-allocation, simplified service cost using the labor-based allocation ratio, simplified service cost using the production cost allocation ratio, or other reasonable allocation method).
- 3 The method of capitalizing additional section 263A costs (i.e., simplified production with or without the historic absorption ratio election, simplified resale with or without the historic absorption ratio election including permissible variations, the US ratio, or other reasonable allocation method).

Section B - Direct and Indirect Costs Required To Be Allocated

Check the appropriate boxes showing the costs that are or will be fully included, to the extent required, in the cost of real or tangible personal property produced or property acquired for resale under section 263A or allocated to long-term contracts under section 460. Mark "N/A" in a box if those costs are not incurred by the applicant. If a box is not checked, it is assumed that those costs are not fully included to the extent required. Attach an explanation for boxes that are not checked.

	Present method	Proposed method
1 Direct material		
2 Direct labor		
3 Indirect labor		
4 Officers' compensation (not including selling activities)		
5 Pension and other related costs		
6 Employee benefits		
7 Indirect materials and supplies		
8 Purchasing costs		
9 Handling, processing, assembly, and repackaging costs		
10 Offsite storage and warehousing costs		
11 Depreciation, amortization, and cost recovery allowance for equipment and facilities placed in service and not temporarily idle		
12 Depletion		
13 Rent		
14 Taxes other than state, local, and foreign income taxes		
15 Insurance		
16 Utilities		
17 Maintenance and repairs that relate to a production, resale, or long-term contract activity		
18 Engineering and design costs (not including section 174 research and experimental expenses)		
19 Rework labor, scrap, and spoilage		
20 Tools and equipment		
21 Quality control and inspection		
22 Bidding expenses incurred in the solicitation of contracts awarded to the applicant		
23 Licensing and franchise costs		
24 Capitalizable service costs (including mixed service costs)		
25 Administrative costs (not including any costs of selling or any return on capital)		
26 Research and experimental expenses attributable to long-term contracts		
27 Interest		
28 Other costs (Attach a list of these costs)		

Part III Method of Cost Allocation (see instructions) (continued)**Section C - Other Costs Not Required To Be Allocated** (Complete Section C only if the applicant is requesting to change its method for these costs.)

	Present method	Proposed method
1 Marketing, selling, advertising, and distribution expenses		
2 Research and experimental expenses not included in Section B, line 26		
3 Bidding expenses not included in Section B, line 22		
4 General and administrative costs not included in Section B		
5 Income taxes		
6 Cost of strikes		
7 Warranty and product liability costs		
8 Section 179 costs		
9 On-site storage		
10 Depreciation, amortization, and cost recovery allowance not included in Section B, line 11		
11 Other costs (Attach a list of these costs)		

Schedule E - Change in Depreciation or Amortization (see instructions)

Applicants requesting approval to change their method of accounting for depreciation or amortization complete this section. Applicants **must** provide this information for each item or class of property for which a change is requested.

Note. See the **List of Automatic Accounting Method Changes** in the instructions for information regarding automatic changes under sections 56, 167, 168, 197, 1400I, 1400L, or former section 168. **Do not** file Form 3115 with respect to certain late elections and election revocations (see instructions).

- 1 Is depreciation for the property determined under Regulations section 1.167(a)-11 (CLADR)? ☐ Yes ☐ No
If "Yes," the only changes permitted are under Regulations section 1.167(a)-11(c)(1)(iii).
- 2 Is any of the depreciation or amortization required to be capitalized under any Code section (e.g., section 263A)? ☐ Yes ☐ No
If "Yes," enter the applicable section: _____
- 3 Has a depreciation, amortization, or expense election been made for the property (e.g., the election under sections 168(f)(1), 179, or 179C)? ☐ Yes ☐ No
If "Yes," state the election made: _____
- 4 a To the extent not already provided, attach a statement describing the property being changed. Include in the description the type of property, the year the property was placed in service, and the property's use in the applicant's trade or business or income-producing activity.
 - b If the property is residential rental property, did the applicant live in the property before renting it? ☐ Yes ☐ No
 - c Is the property public utility property? ☐ Yes ☐ No
- 5 To the extent not already provided in the applicant's description of its present method, attach a statement explaining how the property is treated under the applicant's present method (e.g., depreciable property, inventory property, supplies under Regulations section 1.162-3, nondepreciable section 263(a) property, property deductible as a current expense, etc.).
- 6 If the property is not currently treated as depreciable or amortizable property, attach a statement of the facts supporting the proposed change to depreciate or amortize the property.
- 7 If the property is currently treated and/or will be treated as depreciable or amortizable property, provide the following information for both the present (if applicable) and proposed methods.
 - a The Code section under which the property is or will be depreciated or amortized (e.g., section 168(g)).
 - b The applicable asset class from Rev. Proc. 87-56, 1987-2 C.B. 674, for each asset depreciated under section 168 (MACRS) or under section 1400L; the applicable asset class from Rev. Proc. 83-35, 1983-1 C.B. 745, for each asset depreciated under former section 168 (ACRS); an explanation why no asset class is identified for each asset for which an asset class has not been identified by the applicant.
 - c The facts to support the asset class for the proposed method.
 - d The depreciation or amortization method of the property, including the applicable Code section (e.g., 200% declining balance method under section 168(b)(1)).
 - e The useful life, recovery period, or amortization period of the property.
 - f The applicable convention of the property.
 - g A statement of whether or not the additional first-year special depreciation allowance (for example, as provided by section 168(k), 168(l), 168(m), 168(n), 1400L(b), or 1400N(d)) was or will be claimed for the property. If not, also provide an explanation as to why no special depreciation allowance was or will be claimed.

NC State Natural Resources Foundation, Inc
56-0653350
Form 3115 attachment

Page 2, Line 9b

The North Carolina Agricultural Foundation, Inc	56-6049304
North Carolina Veterinary Medical Foundation, Inc	58-1344473
NC State Engineering Foundation, Inc.	56-6046987

The above corporations are all 501(c)(3) organizations. They are related through common control to NC State University, also a 501(c)(3) organization. The three corporations listed are in the process of requesting an automatic change of overall accounting method from cash to accrual for the year ended June 30, 2012 in order to match the accounting method on which the financial statements are prepared. All applications are pending.

Page 3, Part IV, line 25

Under its present method, the NC State Natural Resources Foundation, Inc is reporting its income and expenses on the cash method of accounting. The NC State Natural Resources Foundation, Inc is proposing to change its method of accounting to accrual in order to conform to the method currently being used for financial statement presentation.

Beginning pledges receivable for year of change under proposed method	\$ 220,110
Beginning pledges receivable for year of change under present method	<u>0</u>
Section 481(a) adjustment - positive	<u>\$ 220,110</u>
Beginning accounts receivable for year of change under proposed method	\$ 94,857
Beginning accounts receivable for year of change under present method	<u>0</u>
Section 481(a) adjustment - positive	<u>\$ 94,857</u>
Beginning accounts payable for year of change under proposed method *	\$ 167,617
Beginning accounts payable for year of change under present method	<u>0</u>
Section 481(a) adjustment - negative	<u>\$ (167,617)</u>
* includes \$ 50,000 accounts payable included in due to others in prior year	
Total 481(a) adjustment – positive	<u>\$ 147,350</u>

Page 4, Part I, line 3

The attached Statement of Financial Position for June 30, 2012 and 2011 and Statement of Activities for the year ended June 30, 2011 have been prepared on the accrual basis of accounting.

NC State Natural Resources Foundation, Inc.

**Statement of Activities
Year Ended June 30, 2011**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains, and other income				
Income from Hofmann Forest operations	\$ 4,765,614	\$ -	\$ -	\$ 4,765,614
Contributions	41,587	485,560	1,039,226	1,566,373
Change in pledges receivable	-	105,280	16,018	121,298
Donated services and salaries (Note 8)	36,000	-	-	36,000
Net asset reclassification - underwater endowments (Note 2)	363,806	(363,806)	-	-
Net investment gains	509,871	2,101,621	66,098	2,677,590
Change in value of split interest agreement	-	-	(138,485)	(138,485)
Other income	55,727	-	4,590	60,317
Net assets released from restrictions (Note 11)	(427,607)	427,607	-	-
Total revenues, gains and other income	5,344,998	2,756,262	987,447	9,088,707
Grants to support the University.				
Program:				
Scholarships and fellowships	478,891	-	-	478,891
Faculty support and professorships	309,228	-	-	309,228
Departmental support	381,675	-	-	381,675
Other current services	266,853	-	-	266,853
Facility support	101,584	-	-	101,584
Hofmann Forest operations	2,356,244	-	-	2,356,244
Hofmann Forest management	853,258	-	-	853,258
College support	1,072,482	-	-	1,072,482
Special projects	106,801	-	-	106,801
Total program support	5,927,016	-	-	5,927,016
Administrative	68,650	-	-	68,650
Fundraising	344,266	-	-	344,266
Total other support	410,916	-	-	410,916
Total support	6,337,932	-	-	6,337,932
Excess (deficit) of revenues, gains and other income over support	(992,934)	2,756,262	987,447	2,750,775
Net transfers				
Among funds (Note 12)	(174,442)	(321,240)	495,682	-
Total net transfers	(174,442)	(321,240)	495,682	-
Change in net assets	(1,167,376)	2,435,022	1,483,129	2,750,775
Net assets:				
Beginning	8,399,196	4,037,648	10,604,176	23,041,020
Ending	\$ 7,231,820	\$ 6,472,670	\$ 12,087,305	\$ 25,791,795

See accompanying notes to financial statements.