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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)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2012

Open to Public
Inspection

A For the 2012 calendar year, or tax year beginning , 2012, and ending , 20

B Check if applicable:

- ☒ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

C Name of organization

CARRINGTON CHARITABLE FOUNDATION, INC

Doing Business As

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

599 W. PUTNAM AVE

Room/suite

3RD FL

City or town, state or country, and ZIP + 4

GREENWICH, CT 06830

F Name and address of principal officer: LOUIS J. GARDAY

9380 BELL CROSS PLACE PARKER, CO 80138

D Employer identification number

27-2073758

E Telephone number

(203) 661-6186

G Gross receipts \$ 1,539,445.

H(a) Is this a group return for affiliates? ☐ Yes ☒ NoH(b) Are all affiliates included? ☐ Yes ☒ No

If "No," attach a list. (see instructions)

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: WWW.CARRINGTONCF.ORG

H(c) Group exemption number ▶

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 2010 M State of legal domicile: CA

Part I Summary

Activities & Governance		Revenue		Expenses		Net Assets or Fund Balances	
1	Briefly describe the organization's mission or most significant activities: CCF'S MISSION IS TO PROVIDE A PLATFORM FOR THE EMPLOYEES WITHIN THE FAMILY OF CARRINGTON COMPANIES TO SUPPORT RECOGNIZE CHARITABLE ORGANIZATIONS PRESENTED TO FOUNDATION BY CARRINGTON EMPLOYEES.						
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	3.				
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	3.				
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	0				
6	Total number of volunteers (estimate if necessary)	6	500.				
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0				
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0				
		Prior Year	Current Year				
8	Contributions and grants (Part VIII, line 1h)	669,546.	1,539,440.				
9	Program service revenue (Part VIII, line 2g)	0	0				
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2.	5.				
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	-491,779.				
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	669,548.	1,047,666.				
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	362,350.	451,054.				
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)	0	0				
16a	Professional fundraising fees (Part IX, column (A), line 11e)	3,619.	0				
16b	Total fundraising expenses (Part IX, column (D), line 25)	0	0				
17	Other expenses (Part IX, column (A), lines 11d, 11f, 24f)	7,415.	9,762.				
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	373,384.	460,816.				
19	Revenue less expenses. Subtract line 18 from line 12	296,164.	586,850.				
		Beginning of Current Year	End of Year				
20	Total assets (Part X, line 16)	391,760.	1,057,271.				
21	Total liabilities (Part X, line 26)	97.	78,758.				
22	Net assets or fund balances. Subtract line 21 from line 20.	391,663.	978,513.				

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 <u>E-1A</u>		Date <u>8-14-13</u>	
	Type or print name and title <u>LOUIS J. GARDAY, CPA - TREASURER</u>			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ☐
	Firm's name		EIN	PTIN
	Firm's address		Phone no	

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2012)

JSA
2E1065 1.000

3075EC A31U

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SCANNED SEP 17 2013

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☒ **X****1** Briefly describe the organization's mission:ATTACHMENT 1**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☒ **X** Yes ☐ No

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? ☐ Yes ☒ No

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 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 \$ including grants of \$) (Revenue \$)ATTACHMENT 2**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 **0**

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)? If "Yes," complete Schedule A	1	X
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
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? If "Yes," complete Schedule C, Part II	4	X
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? If "Yes," complete Schedule C, Part III	5	X
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? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	X
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? If "Yes," complete Schedule D, Part VI	11a	X
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? If "Yes," complete Schedule D, Part VII	11b	X
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? If "Yes," complete Schedule D, Part VIII	11c	X
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? If "Yes," complete Schedule D, Part IX	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	X
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)? If "Yes," complete Schedule D, Part X	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
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? If "Yes," complete Schedule F, Parts I and IV	14b	X
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 United States? If "Yes," complete Schedule F, Parts II and IV	15	X
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 United States? If "Yes," complete Schedule F, Parts III and IV	16	X
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? If "Yes," complete Schedule G, Part I (see instructions)	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II.	21 X	
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? If "Yes," complete Schedule I, Parts I and III.	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J.	23	X
24 a 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? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25.	24a	X
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	
25 a 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? If "Yes," complete Schedule L, Part I.	25a	X
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? If "Yes," complete Schedule L, Part I.	25b	X
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? If "Yes," complete Schedule L, Part II.	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III.	27	X
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? If "Yes," complete Schedule L, Part IV.	28a	X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV.	28b	X
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 direct or indirect owner? If "Yes," complete Schedule L, Part IV.	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M.	29 X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M.	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I.	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II.	32	X
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? If "Yes," complete Schedule R, Part I.	33 X	
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1.	34	X
35 a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2.	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2.	36	X
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? If "Yes," complete Schedule R, Part VI.	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	38	X

Form 990 (2012)

Part V**Statements Regarding Other IRS Filings and Tax Compliance**

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

☒ X

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a 0		
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	X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 0		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
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, securities account, or other financial account)?	4a		X
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		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
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 as charitable contributions?	6a		X
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	X	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	X	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
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		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		X
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		X
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?			
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?			
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?	13a		
Note. See the instructions for additional information the organization must report on Schedule O.			
b Enter the 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 amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?			
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		X

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 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. ☒ X**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.	1a 3		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.			
b Enter the number of voting members included in line 1a, above, who are independent	1b 3		
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		X
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		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6 Did the organization have members or stockholders?	6		X
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		X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	X	
b Each committee with authority to act on behalf of the governing body?	8b	X	
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		X

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		X
b 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	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	X	
13 Did the organization have a written whistleblower policy?	13		X
14 Did the organization have a written document retention and destruction policy?	14	X	
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?			
a The organization's CEO, Executive Director, or top management official	15a		
b Other officers or key employees of the organization	15b		
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		X
b 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 ► CA, CT, IN, NY, _____

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 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 ☐ Other (explain in Schedule O)

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 during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► MANUEL VALENCIA 1610 E ST ANDREW PLACE SANTA ANA, CA 92705 949-517-7212

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck 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. 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, and 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 organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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) ROSEMARY ROSE CHAIRPERSON & DIRECTOR	4.00 45.00	X						0	0	0
(2) LORNA GORDON DIRECTOR	2.00	X						0	0	0
(3) LYNN T OZONIAN DIRECTOR	2.00	X						0	0	0
(4) LOUIS J GARDAY, CPA TREASURER	1.00 55.00			X				0	0	0
(5) RICHARD HOROWITZ ESQ. SECRETARY	1.00 45.00			X				0	0	0
(6) LORI GRIGG VICE PRESIDENT	2.00 45.00			X				0	0	0
(7) EMILIA LARA CO-TREASURER	1.00 45.00			X				0	0	0
(8) PHIL GRASSBAUGH, CPA COMPTROLLER	1.00 45.00			X				0	0	0
(9) MATTHEW J. SEWELL VICE PRESIDENT	1.00 45.00			X				0	0	0
(10)										
(11)										
(12)										
(13)										
(14)										

Part VIII Statement of RevenueCheck if Schedule O contains a response to any question in this Part VIII ☐

				(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	1,091,690.			
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above . .	1f	447,750.			
	g	Noncash contributions included in lines 1a-1f: \$		406,961.			
	h	Total. Add lines 1a-1f		1,539,440.			
Program Service Revenue	2a	Business Code					
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		0			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts). ATTACHMENT 4		5.		
4		Income from investment of tax-exempt bond proceeds		0			
5		Royalties		0			
		(i) Real	(ii) Personal				
6a		Gross rents					
b		Less: rental expenses					
c		Rental income or (loss)		0			
d		Net rental income or (loss)		0			
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
b		Less: cost or other basis and sales expenses					
c		Gain or (loss)					
d		Net gain or (loss)			0		
8a		Gross income from fundraising events (not including \$ 1,091,690. of contributions reported on line 1c). See Part IV, line 18	a				
b		Less: direct expenses	b	491,779.			
c		Net income or (loss) from fundraising events		ATTCH. 5	-491,779.		
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		0				
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		0				
	Miscellaneous Revenue	Business Code					
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		0				
12	Total revenue. See instructions		1,047,666.			5.	

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).**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 .	451,054.	451,054.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	0			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	0			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0			
9 Other employee benefits	0			
10 Payroll taxes	0			
11 Fees for services (non-employees):				
a Management	0			
b Legal	0			
c Accounting	3,550.		3,550.	
d Lobbying	0			
e Professional fundraising services. See Part IV, line 17	0			
f Investment management fees	0			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	0			
12 Advertising and promotion	0			
13 Office expenses	2,223.		2,223.	
14 Information technology	0			
15 Royalties	0			
16 Occupancy	0			
17 Travel	0			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	0			
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	0			
23 Insurance	2,002.		2,002.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a STATE & CITY REGISTRATION FE				
b CREDIT CARD MERCHANT PROC. F				
c CARRINGTON HOUSE MAINTENANCE	1,987.		1,987.	
d -----				
e All other expenses -----				
25 Total functional expenses. Add lines 1 through 24e	460,816.	451,054.	9,762.	
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ If following SOP 98-2 (ASC 958-720)	0			

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	379,258.	1	703,874.
	2 Savings and temporary cash investments	10,002.	2	15,007.
	3 Pledges and grants receivable, net	2,500.	3	12,290.
	4 Accounts receivable, net	0	4	0
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	0	8	0
	9 Prepaid expenses and deferred charges	0	9	0
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	326,100.	
	b Less: accumulated depreciation	10b		10c 326,100.
	11 Investments - publicly traded securities	0	11	0
	12 Investments - other securities. See Part IV, line 11	0	12	0
	13 Investments - program-related. See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	0	15	0
16 Total assets. Add lines 1 through 15 (must equal line 34)	391,760.	16	1,057,271.	
Liabilities	17 Accounts payable and accrued expenses	97.	17	78,758.
	18 Grants payable	0	18	0
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	0	20	0
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	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	0	25	0
	26 Total liabilities. Add lines 17 through 25	97.	26	78,758.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	391,663.	27	652,413.
	28 Temporarily restricted net assets	0	28	326,100.
	29 Permanently restricted net assets	0	29	0
	Organizations that do not follow SFAS 117 (ASC 958), 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	391,663.	33	978,513.
	34 Total liabilities and net assets/fund balances	391,760.	34	1,057,271.

Part XI Reconciliation of Net AssetsCheck 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	1,047,666.
2	Total expenses (must equal Part IX, column (A), line 25)	2	460,816.
3	Revenue less expenses. Subtract line 2 from line 1	3	586,850.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	391,663.
5	Net unrealized gains (losses) on investments	5	0
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	978,513.

Part XII Financial Statements and ReportingCheck 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? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	X	
c If "Yes" to line 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.	X	
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?		X
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		

Form **990** (2012)

SCHEDULE A
(Form 990 or 990-EZ)

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

2012

Open to Public
Inspection

Name of the organization

CARRINGTON CHARITABLE FOUNDATION, INC

Employer identification number

27-2073758

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 described in 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. See 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-Non-functionally integrated
- 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 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? _____

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

h Provide the following information about the supported organization(s).

(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 monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2012

Part II Support Schedule for Organizations Described in Sections 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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
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.						
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).						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2011 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2012. 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 - 2011. If the organization did not check a 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 - 2012. 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 - 2011. 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 III Support Schedule for Organizations Described in Section 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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	0	0	121,660.	669,546.	1,539,440.	2,330,646.
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						0
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
5 The value of services or facilities furnished by a governmental unit to the organization without charge						0
6 Total. Add lines 1 through 5			121,660.	669,546.	1,539,440.	2,330,646.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
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						0
c Add lines 7a and 7b.						0
8 Public support (Subtract line 7c from line 6.)						2,330,646.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6.			121,660.	669,546.	1,539,440.	2,330,646.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources				2.	5.	7.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0
c Add lines 10a and 10b				2.	5.	7.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0
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.)			121,660.	669,548.	1,539,445.	2,330,653.
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. ☒						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2011 Schedule A, Part III, line 15.	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18	%

- 19a** 33 1/3% support tests - 2012. 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 - 2011. 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.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).**PART 4 SUPPLEMENTAL INFORMATION****PART 4 SCH A - PUBLIC SUPPORT**

FROM INCEPTION TO DATE, THE MAJORITY OF ALL SUPPORT FOR CCF AND ITS ANNUAL CHARITY GOLF CLASSIC FUNDRAISING EVENT COMES FROM A BROAD SPECTRUM OF OFFICERS, EMPLOYEES, CLIENTS, VENDORS AND FAMILIES/FRIENDS OF THE CARRINGTON HOLDING COMPANY, LLC AND ITS OPERATING SUBSIDIARIES. WE EXPECT THAT TRADITION TO CONTINUE INTO 2013 AND BEYOND.

DURING 2012 CCF SOLICITED AND RECEIVED AN UNUSUALLY LARGE AND GENEROUS DONATION OF A SINGLE FAMILY RESIDENCE IN OCEANSIDE CALIFORNIA. THE DONOR, BANK OF AMERICA, NA CONTRIBUTED THE HOME TO CCF IN FURTHERANCE OF CCF'S PLANNED PROGRAM SERVICE TO PROVIDE AT NO COST, A FAMILY RESIDENCE TO SEVERLY WOUNDED MEMBERS OF THE US ARMED FORCES, IN THIS CASE ATTACHED TO THE SAN DIEGO NAVAL HOSPITAL. (PLEASE SEE THE EXPLANATION UNDER PROGRAM SERVICES, FROM 990, PAGE 2).

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

CARRINGTON CHARITABLE FOUNDATION, INC

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public
Inspection

Employer identification number

27-2073758

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 can 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 education)	☐ Preservation of an historically important land area
☐ Protection of natural habitat	☐ Preservation of a certified historic structure
☐ Preservation of open space	

2 Complete lines 2a through 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 Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

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 ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, 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 (ASC 958), 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 XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), 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 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2012

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

3 Using the organization's acquisition, 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
 b ☐ Scholarly research
 c ☐ Preservation for future generations

- d ☐ Loan or exchange programs
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

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 XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	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 XIII. Check here if the explanation has been provided in Part XIII. ☐ Yes ☐ No

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					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ▶ _____ %
 b Permanent endowment ▶ _____ %
 c Temporarily restricted endowment ▶ _____ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

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)	
(ii) related organizations	3a(ii)	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIII 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		200,000.		200,000.
b Buildings		126,100.		126,100.
c Leasehold improvements				
d Equipment				
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				326,100.

Schedule D (Form 990) 2012

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (Including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
(I) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ►		

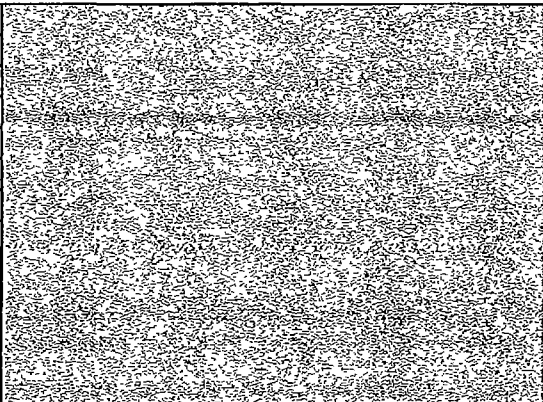
Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) _____		
(2) _____		
(3) _____		
(4) _____		
(5) _____		
(6) _____		
(7) _____		
(8) _____		
(9) _____		
(10) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ►		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) _____	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
(10) _____	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2) _____		
(3) _____		
(4) _____		
(5) _____		
(6) _____		
(7) _____		
(8) _____		
(9) _____		
(10) _____		
(11) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►		

2. FIN 48 (ASC 740) Footnote In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII. ☐

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	1,740,635.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	201,189.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	201,189.
3	Subtract line 2e from line 1	3	1,539,446.
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	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	1,539,445.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	1,153,785.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	201,189.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	491,780.
e	Add lines 2a through 2d	2e	692,969.
3	Subtract line 2e from line 1	3	460,816.
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	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	460,816.

Part XIII 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, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIII Supplemental Information (continued)

CONTRIBUTED SERVICES AND FACILITIES

PART XI LN 2B & PART XII 2A. THE AMOUNT OF SERVICES DONATED OR GOODS AND SERVICES PAID FOR BY THIRD PARTY SPONSORS, INCLUDED IN THE AUDITED REPORT UNDER FAS 1172 BOTH IN INCOME AND AGAIN AS A DEDUCTED EXPENSE. AMOUNTS CONTRIBUTED PER AUDITED STATEMENTS BUT NOT REPORTED ON FORM 990. \$201,190 IN EACH CASE.

GOLF CLASSIC REPORTS NET

PART XI & PART XII LINE2D (BOTH)

THE SINGLE FUNDRAISING EVENT EACH YEAR, THE GOLF CLASSIC, REPORTS ITS NET INCOME ON PAGE ONE OF FORM 990, LINE 11. THE AUDITED FINANCIAL STATEMENTS SHOWS THE FUNDRAISING EVENT BROADLY IN BOTH INCOME AND EXPENSE. THIS SCHEDULE MUST THEREFORE REDUCE BOTH REVENUE AND EXPENSE TO REFLECT THE NET PROFIT FROM THE GOLF CLASSIC OF \$599,911 SHOWN ON PAGE ONE, LINE 12 AND AGAIN IN EXPENSES ON LINE 18

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Name of the organization

Supplemental Information Regarding
Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 8a.

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

OMB No. 1545-0047

2012

Open to Public
Inspection

CARRINGTON CHARITABLE FOUNDATION, INC

Employer identification number

27-2073758

Part I

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.
Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- | | |
|--|---|
| a ☐ Mail solicitations | e ☐ Solicitation of non-government grants |
| b ☐ Internet and email solicitations | f ☐ Solicitation of government grants |
| c ☐ Phone solicitations | g ☐ Special fundraising events |
| d ☐ In-person solicitations | |

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☐ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total				▶		

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

CA, CT, IN, NY,

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1 GOLF CLASSIC (event type)	(b) Event #2 (event type)	(c) Other events (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1 Gross receipts	1,091,691.			1,091,691.
	2 Less: Contributions	482,691.			482,691.
	3 Gross income (line 1 minus line 2).	609,000.			609,000.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs	168,700.			168,700.
	7 Food and beverages	193,018.			193,018.
	8 Entertainment				
	9 Other direct expenses	113,309.			113,309.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				(491,778.)
	11 Net income summary. Combine line 3, column (d), and line 10				117,222.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue				
	2 Cash prizes				
Direct Expenses	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	Yes _____ % No _____ %	Yes _____ % No _____ %	Yes _____ % No _____ %	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				()
	8 Net gaming income summary. Combine line 1, column d, and line 7				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: _____

10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: _____

- 11 Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No
- 13 Indicate the percentage of gaming activity operated in:
- | | | |
|-------------------------------|-----|---|
| a The organization's facility | 13a | % |
| b An outside facility | 13b | % |

- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

- 15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____
- c If "Yes," enter name and address of the third party:

Name ▶ _____

Address ▶ _____

- 16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

☐ Director/officer ☐ Employee ☐ Independent contractor

- 17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Complete this part to provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

PART II - GOLF EVENT & DINNER

THE ORGANIZATION'S ANNUAL GOLF EVENT IS HELD AT THE PELICAN HILLS GOLF RESORT IN ORANGE COUNTY, CALIFORNIA. THE USE OF THE COURSE AND THE DINNER ARE UNDERWRITTEN AND PAID BY THIRD PARTY DONATIONS TO CCF IN RETURN FOR SPONSOR RECOGNITION AND IN SOME CASES SIMPLY VIA UN-ADVERTISED CONTRIBUTIONS BY OFFICERS AND EMPLOYEES OF THE CARRINGTON FAMILY OF COMPANIES. ALL EVENT COSTS ARE COVERED BY CONTRIBUTORS.

**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

2012

Open to Public
Inspection

Name of the organization

CARRINGTON CHARITABLE FOUNDATION, INC

Employer identification number

27-2073758

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. Part II can be duplicated if additional space is needed.

1	(a) Name and address of organization or government	(b) EIN	(c) IRC 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)	VETERANS AIRLIFT COMMAND 5775 WAYZATA BLVD. ST. LOUIS PARK, MN 55416	20-4567769	501 (C) (3)	400,000.				TO ASSIST IN PROVIDING VET TRANSP
(2)	ST. JOSEPH HOSPITAL FOUNDATION 1100 W. STEWARD DRIVE ORANGE, CA 92868	95-1643359	501(C)(3)	6,000.				GRANT FOR MEDICAL RE RESEARCH
(3)	ST. ANDREW'S / SCHMO 2011 CALLE FRONTERA SAN CLEMENTE, CA 92673	95-2402620	501(C)(3)	10,000.				SUPPORT MIL FAMILIES
(4)	SUSAN G KOMEN FOUNDATION 5005 LBJ FREEWAY DALLAS, TX 75244	75-1835298	501(C)(3)	10,000.				FIGHT BREAST CANCER
(5)	ALL OTHER GRANTS PAID DURING 2012 DETAIL AVAILABLE ON REQUEST	VARIOUS	501(C)(3)	10,054.				GENERAL GRANTS MADE DURING 2012
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **7.**
- 3 Enter total number of other organizations listed in the line 1 table **7.**

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2012)

JSA

2E1288 1 000 3075EC A31U

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated 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, appraised, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

SCHEDULE I

THE CARRINGTON CHARITABLE FOUNDATION BY CHARTER ONLY GRANTS FUNDS TO CHARITABLE ORGANIZATIONS WHO QUALIFY UNDER SECTION 501 (C) (3) OF THE IRC. WE MAINTAIN EVIDENCE THAT THE ORGANIZATION IS CURRENT IN ALL ITS FILING WITH THE IRS (AS ARE WE) AND THAT ITS MISSION STATEMENT AND GOALS ARE CONSISTENT WITH THOSE OF THIS FOUNDATION. THIS INCLUDES A THOROUGH EXAMINATION OF THE MOST CURRENT FORM 990 ON FILE WITH THE IRS BY THE CCF 'S TREASURER OR HIS DESIGNEE.

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

► Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

OMB No. 1545-0047

2012

**Open To Public
Inspection**

Name of the organization

CARRINGTON CHARITABLE FOUNDATION, INC

Employer identification number

27-2073758

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or Items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential	X	1.	326,100.	INDEPENDENT APPRAISA
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles	X	1.	620.	SILENT AUCTION BID
19 Food inventory	X	32.	16,618.	SILENT AUCTION BID
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (ATCH 1)		59.	63,623.	
26 Other ► ()				
27 Other ► ()				
28 Other ► ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement 29 1.

	Yes	No
30 a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	X	
32 a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2012)

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

GOLF EVENT AUCTION PROCESS

DONORS TO THE SILENT AUCTION FOR VARIOUS DONATED ITEMS ESTIMATE THE FMV AT THE TIME OF THE GIFT. (EXAMPLE FACE VALUE OF FOOTBALL TICKETS FOR AN NFL GAME). IN GENERAL, THE ITEMS ARE SUCCESSFULLY SOLD AT OR ABOVE THE DONOR ESTIMATE. EACH DONOR RECEIVES A REPORT AND ACKNOWLEDGEMENT OF THE ITEM DONATED, THEIR ESTIMATED FMV, AND A REPORT AS TO THE FINAL AUCTION PRICE. EACH AUCTION BID WINNER RECEIVED A RECEIPT FOR THE AMOUNT OF THEIR WINNING BID AND AN ACKNOWLEDGEMENT OF THE ESTIMATED FMV OF THE ITEM THEY PURCHASED AS SUPPLIED BY THE DONOR.

DONATION OF SINGLE FAMILY RESIDENCE

DURING 2012 CCF SOLICITED AND RECEIVED AN UNUSUALLY LARGE AND GENEROUS DONATION OF A SINGLE FAMILY RESIDENCE IN OCEANSIDE CALIFORNIA. THE DONOR, BANK OF AMERICA, NA CONTRIBUTED THE HOME TO CCF IN FURTHERANCE OF CCF'S PLANNED PROGRAM SERVICE TO PROVIDE AT NO COST, A FAMILY RESIDENCE TO SEVERELY WOUNDED MEMBERS OF THE US ARMED FORCES, IN THIS CASE ATTACHED TO THE SAN DIEGO NAVAL HOSPITAL.

UPON RECEIPT OF THE HOME FROM THE REO AND COMMUNITY OUTREACH SERVICES GROUP AT BANK OF AMERICA, CCF OBTAINED AN INDEPENDENT REAL ESTATE APPRAISAL AT THE COST OF \$470 TO ESTABLISH THE LAND AND BUILDING COST OF THE CONTRIBUTION AT \$326,100

(PLEASE SEE THE EXPLANATION UNDER PROGRAM SERVICES, FORM 990, PAGE 2).

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

ATTACHMENT 1

SCHEDULE M, PART I - OTHER NONCASH CONTRIBUTIONS

<u>DESCRIPTION</u>	<u>(A) CHECK</u>	<u>(B) NUMBER OF CONTRIBUTIONS</u>	<u>(C) REVENUES REPORTED</u>	<u>(D) METHOD OF DETERMINING</u>
VACATION PACKAGES DONATED	X	17.	36,060.	SILENT AUCTION BID
SPORTS OR RECREATION EVEN	X	10.	14,860.	SILENT AUCTION BID
GENERAL MERCHANDISE	X	32.	12,703.	SILENT AUCTION BID
TOTALS		<u>59.</u>	<u>63,623.</u>	

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2012

Open to Public
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CARRINGTON CHARITABLE FOUNDATION, INC

Employer identification number

27-2073758

CONFLICTS OF INTEREST AND OTHER POLICY MATTERS

PART VI - SECTION B - QUESTIONS 12 THRU 15 INCLUSIVE

THE FOUNDATION HAS NO EMPLOYEES, ONLY VOLUNTEER DIRECTORS AND OFFICERS WHO ARE ASSOCIATED WITH, OR EMPLOYEES OF, ONE OF 40 COMPANIES IN THE COMBINED "CARRINGTON FAMILY OF COMPANIES". AS SUCH, EACH VOLUNTEER IS GOVERNED BY CONFLICT OF INTEREST POLICIES, ETHICAL/PROFESSIONAL STANDARDS, AND ACCOUNTABILITY, INCLUDED BEING BONDED, UNDER THEIR EMPLOYMENT TERMS WITH A CARRINGTON "FOR-PROFIT" COMPANY. THE EXECUTIVE VP OF HUMAN RESOURCES FOR ALL CARRINGTON COMPANIES SERVES AS A VOLUNTEER OFFICER FOR THE CCF FOUNDATION, IN PART TO ASSURE ALL INVOLVED, INCLUDING THE CCF DIRECTORS THAT THE SAME HIGH PROFESSIONAL STANDARDS EMPLOYED IN THE FOR-PROFIT COMPANIES ARE APPLIED WHEN VOLUNTEERING FOR CCF ACTIVITIES AND GOVERNANCE. THAT WOULD INCLUDE ALL MATTERS OF POTENTIAL CONFLICTS, DISCLOSURE, DUE DILIGENCE, DOCUMENT RETENTION AND ACCESSABILITY AS WELL AS AN ABILITY TO REPORT ANY DEVIATION FROM THOSE POLICIES. WITH NO EMPLOYEES, CCF DOES NOT HAVE ITS OWN POLICIES, RATHER IT MONITORS THIS TYPE OF PROFESSIONAL CONDUCT VIA THE REGULAR EMPLOYMENT CHANNELS WITHIN THE CARRINGTON FAMILY OF COMPANIES.

PART VII - COMPENSATION

PART VII COMPENSATION OF OFFICERS & DIRECTORS

CCF IS A 100% VOLUNTEER MANAGED AND OPERATED ORGANIZATION. ALL VOLUNTEERS PERFORM SERVICES FOR CCF ON THEIR OWN PERSONAL TIME, AND WITHOUT ANY COMPENSATION, EXPENSE ALLOWANCE OR PRIVILEGE, MONETARY OR

Name of the organization

CARRINGTON CHARITABLE FOUNDATION, INC

Employer identification number

OTHERWISE, OTHER THAN THE OPPORTUNITY TO BE INVOLVED IN CCF AND THE COMMUNITY IT SERVES. CCF ITSELF HAS NO EMPLOYEES AND ALMOST NO OVERHEAD AS THE GREATER CARRINGTON FAMILY OF COMPANIES GENERALLY SUPPORTS THE MISC. OFFICE SUPPLIES AND ADMINISTRATIVE NEEDS OF THE FOUNDATION. THE AUDITED FINANCIAL STATEMENTS SHOW THAT THE SUM TOTAL OF THE VOLUNTEER TIME AND THE SUPPORTED EXPENSES AND USE OF FACILITIES DONATED VIA THE CARRINGTON COMPANIES WAS \$201,190 AND \$164,394 IN 2012 AND 2011 RESPECTIVELY. NO SINGLE INDIVIDUAL VOLUNTEERED SERVICES IN EXCESS OF THE REPORTING LIMIT OF \$10,000 SERVICES RENDERED AND IS THEREFORE LISTED.

PAZRT IX ROUNDING

ROUNDING \$1

ATTACHMENT 1FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

CCF'S OBJECTIVE IS TO WORK TOGETHER AS A COMUNITY OF SUPPORT FOR RECOGNIZED CHARITABLE ORGANIZATIONS PRESENTED TO CCF BY THE EMPLOYEES AND ASSOCIATES OF THE CARRINGTON FAMILY OF COMPANIES. CCF WILL SEEK TO RAISE FUNDS FOR THE ORGANIZATIONS IT SUPPORTS AND TO SOLICIT AND FACILITATE THE VOLUNTEER ACTIVITIES OF MORE THAN 2,700 EMPLOYEES IN THE VARIOUS CARRINGTON AFFIIATED COMPANIES VOLUNTEERING IN THE COMMUNITIES.

IN 2012 CCF BEGAN A PROGRAM TO SUPPLY WOUNDED VETERANS AND THEIR FAMILIES WITH TRANSITIONAL HOUSING IN A SERVICE AREA NEAR MILITARY REHABILITATION HOSPITAL SERVICES FOR THE ARMED FORCES. PLEASE SEE THE DETAILS OF THIS PROJECT UNDER PROGRAM SERVICES AT PAGE 2, ITEM 4

A

Name of the organization

Employer identification number

CARRINGTON CHARITABLE FOUNDATION, INC

ATTACHMENT 2FORM 990, PART III - PROGRAM SERVICE, LINE 4A

PRIOR TO 2012 CCF CONDUCTED NO PROGRAM SERVICES. THROUGH THE END OF 2012, ALL EXPENSES OF THIS FOUNDATION ARE EITHER RELATED TO FUNDRAISING OR ARE GRANTS SUPPORTING THE VOLUNTEER ACTIVITIES OF CARRINGTON EMPLOYEES TO/FOR OTHER QUALIFIED 501 (C) (3) PUBLIC CHARITIES, ALL NON-AFFILIATED WITH THE CARRINGTON FAMILY OF COMPANIES. SEE GRANTS PAID LISTED ON SCHEDULE I

DURING 2012, CCF SOLICITED AND RECEIVED A GENEROUS DONATION OF A SINGLE FAMILY RESIDENCE IN OCEANSIDE CALIFORNIA FROM THE REO AND MORTGAGE OUTREACH PROGRAM OF BANK OF AMERICA, NA (AS SHOWN ON SCHEDULE B HEREIN). THE PURPOSE OF THAT PROPERTY DONATION IS TO BEGIN A PROGRAM TO SUPPLY AT NO COST A FAMILY RESIDENCE FOR VETERANS OF THE US ARMED FORCES WHO WERE SEVERELY WOUNDED WHEN SERVING OUR COUNTRY IN IRAQ OR AFGHANISTAN. THE LOCATION OF THIS FIRST PROPERTY IS UNIQUELY SUITED TO SERVE FAMILIES OF PATIENTS OR OUTPATIENTS AND FAMILIES RECEIVING CARE AT THE SAN DIEGO NAVAL HOSPITAL WITH WHOM CCF IS BEGINNING A PROGRAM TO SERVE THE VETERANS. THE YEAR 2012 WAS DEVOTED TO REHABILITATION OF THE PROPERTY AND INSTALLATION OF SPECIAL SAFETY AND TITLE 10 FIXTURES SUITABLE TO SERVE VETERANS MISSING ONE OR MORE LIMBS. IT IS EXPECTED THAT THE FIRST PROGRAM USE OF THIS RESIDENCE WILL BE IN THE 2013 REPORTING YEAR. THE RESIDENCE ITSELF IS RESTRICTED AS TO ITS USE BY THE CONTRACT BETWEEN CCF AND BANK OF AMERICA SUCH THAT IT CAN ONLY BE USED TO SERVE VETERANS IN THIS MANNER AND CANNOT BE SOLD OR DISPOSED OF WITHOUT THE DIRECTION OF THE DONOR. UPON

Name of the organization

CARRINGTON CHARITABLE FOUNDATION, INC

Employer identification number

ATTACHMENT 2 (CONT'D)

RECEIPT OF THE DONATION, CCF OBTAINED AN INDEPENDENT REAL ESTATE APPRAISAL AND VALUED THE DONATION AT \$326,100 BASED ON THAT APPRAISAL.

ATTACHMENT 3990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
PELICAN HILL RESORT & CC 22701 PELICAN HILL ROAD SOUTH NEWPORT COAST, CA 92657		362,718.

ATTACHMENT 4FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	<u>(A) TOTAL REVENUE</u>	<u>(B) RELATED OR EXEMPT REVENUE</u>	<u>(C) UNRELATED BUSINESS REV.</u>	<u>(D) EXCLUDED REVENUE</u>
CHECKING ACCOUNT INTEREST	5.			5.
TOTALS	<u>5.</u>			<u>5.</u>

ATTACHMENT 5FORM 990, PART VIII - FUNDRAISING EVENTS

<u>DESCRIPTION</u>	<u>DIRECT EXPENSES</u>	<u>NET INCOME</u>
ANNUAL GOLF CLASSIC	491,779.	-491,779.
TOTALS	<u>491,779.</u>	<u>-491,779.</u>

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

2012

Open to Public
Inspection

Name of the organization

CARRINGTON CHARITABLE FOUNDATION, INC

Employer identification number

27-2073758

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

(a) Name, address, and EIN (if applicable) 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
(1) -----	HOLD TITLE	CA	0	326,100.	N/A
(2) -----					
(3) -----					
(4) -----					
(5) -----					
(6) -----					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to 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 entity?	
						Yes	No
(1) -----							
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2012

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Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to 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	
(1) _____												
(2) _____												
(3) _____												
(4) _____												
(5) _____												
(6) _____												
(7) _____												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to 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) Per- centage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) _____									
(2) _____									
(3) _____									
(4) _____									
(5) _____									
(6) _____									
(7) _____									

Schedule R (Form 990) 2012

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.**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 or (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** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)
- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses
- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

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-e)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

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.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(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		Yes	No	
(1) _____													
(2) _____													
(3) _____													
(4) _____													
(5) _____													
(6) _____													
(7) _____													
(8) _____													
(9) _____													
(10) _____													
(11) _____													
(12) _____													
(13) _____													
(14) _____													
(15) _____													
(16) _____													

Schedule R (Form 990) 2012

Part VII**Supplemental Information**

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

SCH R - OTHER ENTITIES**RELATED ENTITIES**

CARRINGTON HOUSE, LLC EIN 27-2073758. DURING 2012, AND UPON THE CONTRIBUTION TO CCF OF A SINGLE FAMILY RESIDENCE BY BANK OF AMERICA, NA, CCF, INC. FORMED A 100% OWNED LIMITED LIABILITY COMPANY SUBSIDIARY TO HOLD TITLE TO THE PROPERTY AND TO PROVIDE A FORM OF LIABILITY PROTECTION FOR INSURANCE AND OPERATING PURPOSES. ANY 100% OWNED LLC SUBSIDIARY BY AND INCORPORATED ENTITY SUCH AS CCF, INC., OR "SMLLC" IS CONSIDERED BY THE INTERNAL REVENUE CODE AS A "DISREGARDED ENTITY". ESSENTIALLY THE ENTITY, ITS FORMATION AND THE TRANSFER OF TITLE TO THAT ENTITY MUST BE IGNORED FOR FEDERAL AND MOST STATE TAX REPORTING PURPOSES. THUS THE ENTITY AND ITS ASSETS ARE TREATED AS A DIVISION OF CCF AND REPORTED HEREIN ACCORDINGLY.

2012

[illegible]

*Assets Retired

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Carrington Charitable Foundation

Report on Financial Statements

We have audited the accompanying financial statements of Carrington Charitable Foundation (the "Foundation"), which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information (Details of Major Fundraising Activities) is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

SQUAR, MILNER, PETERSON, MIRANDA & WILLIAMSON, LLP

Newport Beach, California
July 30, 2013

CARRINGTON CHARITABLE FOUNDATION
STATEMENTS OF FINANCIAL POSITION
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Assets		
Cash and cash equivalents	\$ 718,881	\$ 389,260
Donations receivable	12,290	2,500
Real property	<u>326,100</u>	<u>—</u>
Total assets	<u>\$ 1,057,271</u>	<u>\$ 391,760</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accrued expenses	\$ 78,758	\$ 97
Total liabilities	<u>78,758</u>	<u>97</u>
Net Assets		
Unrestricted	652,413	391,663
Temporarily restricted	<u>326,100</u>	<u>—</u>
Total net assets	<u>978,513</u>	<u>391,663</u>
Total liabilities and net assets	<u>\$ 1,057,271</u>	<u>\$ 391,760</u>

CARRINGTON CHARITABLE FOUNDATION
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Years Ended December 31, 2012 and 2011

	2012			2011
	Unrestricted	Temporarily Restricted	Total	Total
REVENUES				
Fundraising	\$ 870,500	\$ —	\$ 870,500	\$ 811,026
Contributed services	201,190	—	201,190	164,394
Contributed real property	—	326,100	326,100	—
Auction proceeds	221,190	—	221,190	89,641
Contributions and donations	114,088	—	114,088	85,708
Other	7,567	—	7,567	2
Total revenues	<u>1,414,535</u>	<u>326,100</u>	<u>1,740,635</u>	<u>1,150,771</u>
EXPENSES				
Donations and grants	451,054	—	451,054	362,350
Fundraising activities	475,027	—	475,027	316,829
Allocated administrative	201,190	—	201,190	164,394
Other	26,514	—	26,514	11,034
Total expenses	<u>1,153,785</u>	<u>—</u>	<u>1,153,785</u>	<u>854,607</u>
EXCESS OF REVENUES OVER EXPENSES	<u>260,750</u>	<u>326,100</u>	<u>586,850</u>	<u>296,164</u>
CHANGE IN NET ASSETS	260,750	326,100	586,850	296,164
NET ASSETS AT BEGINNING OF YEAR	<u>391,663</u>	<u>—</u>	<u>391,663</u>	<u>95,499</u>
NET ASSETS AT END OF YEAR	<u>\$ 652,413</u>	<u>\$ 326,100</u>	<u>\$ 978,513</u>	<u>\$ 391,663</u>

CARRINGTON CHARITABLE FOUNDATION
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 586,850	\$ 296,164
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Contributed real property	(326,100)	—
Change in operating assets and liabilities:		
Donations receivable	(9,790)	(2,500)
Accounts payable and accrued expenses	78,661	97
Net cash provided by operating activities	<u>329,621</u>	<u>293,761</u>
NET INCREASE IN CASH	329,621	293,761
CASH – beginning of period	<u>389,260</u>	<u>95,499</u>
CASH – end of period	<u><u>\$ 718,881</u></u>	<u><u>\$ 389,260</u></u>
SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES:		
Contributed services	<u>\$ 201,190</u>	<u>\$ 164,394</u>
Contributed fundraising expenses	<u>\$ —</u>	<u>\$ 316,829</u>
Contributed real property	<u><u>\$ 326,100</u></u>	<u><u>\$ —</u></u>

CARRINGTON CHARITABLE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

1. ORGANIZATION AND CHARITABLE MISSION

Carrington Charitable Foundation (the "Foundation" or "CCF") was incorporated in Delaware on March 9, 2010 and is exempt from federal and state income taxes under Section 501(a) of the Internal Revenue Code. The Foundation is a nonprofit organization classified under Section 501(c)(3) as a public charity and is registered in the states of California, New York, Indiana and Connecticut. The Foundation has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions provided in Section 170(b)(1)(A)(vi). The financial support for the Foundation is derived through contributions from individuals, corporations and through fundraising activities.

The Foundation's objective is to partner with associates of the Carrington family of companies to reach out to those in need. CCF will support charities through the collective efforts of the CCF Board of Directors and associates of the Carrington family of companies in an effort to encourage associate participation and maximize contributions to those charities. CCF seeks to promote giving back to the community through generous support of the chosen charities which reflect the interests and passions of Carrington associates.

The Foundation's donations are primarily focused toward other 501(c)(3) organizations based on the interests of Carrington associates. All donations are determined through the combined efforts of the Foundation's Board of Directors and Advisory Committee, which is comprised of Carrington associates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis of Presentation

In order to accommodate the various alternatives for donors' distribution objectives, the Foundation's records are maintained for internal purposes in accordance with the principles of fund accounting. The Foundation reports gifts of each and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Foundation follows authoritative guidance for

CARRINGTON CHARITABLE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued)

financial statements for not-for-profit organizations. This guidance requires that net assets, revenues, gains, expenses and losses be classified as unrestricted, temporarily restricted and permanently restricted.

A summary of the net asset categories included in the accompanying financial statements is as follows:

Unrestricted – Unrestricted net assets include amounts that are available for support of the Foundation's operational and administrative functions, discretionary nonadvised amounts that are available to support community activities and charitable endeavors at the discretion of the Foundation's Board of Directors, and discretionary donor-advised amounts for which grant recommendations of the respective donors are accepted for consideration, subject to final approval by the Foundation's Board of Directors.

Temporarily Restricted – Temporarily restricted amounts represent contributed funds, subject to specific donor-imposed restrictions, contingent upon a specific performance of a future event or a specific passage of time before the Foundation may spend the funds. The balance includes contributions receivable, term endowments, deferred gifts in the form of trusts and annuities and unappropriated earnings on permanently restricted endowments.

Permanently Restricted – Permanently restricted net assets represent those assets contributed to the Foundation where the original dollar value is to remain in perpetuity as a permanent endowment of the Foundation.

As of December 31, 2012, \$326,100 of the Foundation's assets were temporarily restricted for five years through the end of 2017. As of and for the year ended December 31, 2011, all of the Foundation's assets and revenues were unrestricted.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Foundation to make estimates and assumptions that affect the amounts reported in the financial statements and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Foundation considers those investments that are highly liquid, readily convertible to cash and which mature within three months from the original date of purchase, to be cash equivalents. There were no cash equivalents as of December 31, 2012 or 2011. The estimated fair market value of cash is equal to its carrying amounts as of December 31, 2012 and 2011.

CARRINGTON CHARITABLE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments at Fair Market Value

Debt securities and marketable equity securities are measured at fair value based upon quoted market prices. Realized and unrealized gains and losses and interest and dividends on marketable securities are reported as investment income unless the income or loss is restricted by donor or law.

Concentrations of Credit Risk

The Foundation currently maintains substantially all of its cash with one major financial institution. At times, the cash balance may be in excess of the amounts insured by the Federal Deposit Insurance Corporation ("FDIC").

Financial instruments which potentially subject the Foundation to concentrations of credit risk consist solely of cash, although the Foundation's policy allows for investments, which would be managed within guidelines established by the Foundation's Board of Directors. This policy limits the amounts which may be invested in any one issue.

Support and Revenue Recognition

The Foundation records revenues and contributions on the accrual basis of accounting. Contributions are recognized as public support pursuant to the terms of the gifts. Unless specifically restricted by the donor, all contributions are considered available for the Foundation's discretionary use.

The Foundation typically holds one major fundraising event each year for which various businesses and individuals are solicited for donations of goods and/or services and participation.

Other major sources of revenue include Carrington employee and corporate donations.

Designated Donations and Functional Allocation of Expenses

The Foundation's Board of Directors approves specific donations, scholarships and grants.

The Foundation receives donated services from the Carrington family of companies for various administrative and corporate support services. The Foundation records these donated services at their fair market value as determined by management of the Foundation and the Carrington family of companies. Management of the Foundation believes these allocations to be reasonable.

CARRINGTON CHARITABLE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Designated Donations and Functional Allocation of Expenses (continued)

The Carrington family of companies also provide support to the Foundation's fundraising activities through direct payment of fundraising expenses. These amounts are considered revenues and expenses of the Foundation.

All other expenses of the Foundation are considered operating expenses incurred in fundraising, providing financial and other beneficial support to various charitable programs and in administering the Foundation.

Income Taxes

The Foundation is exempt from federal income and state franchise taxes under Section 501(c)(3) of the Internal Revenue Code and corresponding state revenue and taxation statutes. Accordingly, no provision for income taxes has been made. However, in accordance with GAAP, the Foundation is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Derecognition of a tax benefit previously recognized could result in the Foundation recording a tax liability that would reduce net assets. The Foundation does not believe it has any unrecognized tax benefits at December 31, 2012 or 2011.

Subsequent Events

The Foundation has evaluated subsequent events through July 30, 2013, the date this financial statement was available to be issued. Subsequent events are events or transactions that occur after the date of the statement of financial position but before financial statements are issued. The Foundation recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Foundation's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the date of financial position and before financial statements are available to be issued.

Recent Accounting Standards

In March 2013, the Emerging Issues Task Force reached a consensus relating to Financial Accounting Standards Board Accounting Standards Codification Topic 958 (Not-for-Profit Entities) ("ASC 958") surrounding the recognition of services received by the not-for-profit entity. The consensus modifies the existing rules which require that contributed

CARRINGTON CHARITABLE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recent Accounting Standards (continued)

services be recognized at fair value if employees of separately governed affiliated entities regularly perform services (in other than an advisory capacity) for and under the direction of the donee. In addition, that guidance indicates that those contributed services only should be recognized if they (1) create or enhance nonfinancial assets or (2) require specialized skills, are provided by individuals possessing those skills, and typically would need to be purchased if not provided by donation. The consensus reached in March 2013 requires that all services received from personnel of an affiliate that directly benefit the recipient not-for-profit entity to be recognized. Those services should be measured at the cost recognized by the affiliate for the personnel providing those services. However, if measuring a service received from personnel of an affiliate at cost will significantly overstate or understate the value of the service received, the recipient not-for-profit entity may elect to recognize that service received at either (1) the cost recognized by the affiliate for the personnel providing that service or (2) the fair value of that service. The amendment to ASC 958 is effective prospectively for fiscal years beginning after June 15, 2014 with early adoption permitted. The Foundation is currently evaluating the impact of the adoption of this amendment on its financial position and results of operations.

3. DESCRIPTION OF PROGRAM SERVICES AND MAJOR ACTIVITIES

The following is a description of the program services and major activities of the Foundation:

Veterans Airlift Command

Provides free air transportation to post 9/11 combat wounded and their families for medical and other compassionate purposes through a national network of volunteer aircraft owners and pilots.

Carrington House

Converts donated real estate owned properties into temporary housing for seriously injured military personnel undergoing rehabilitation at medical facilities and their families.

Other Donations and Grants

This includes general donation proceeds received outside of the major programs described above, and donations and grants made by the Foundation to other non-profit organizations and community charities.

CARRINGTON CHARITABLE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

3. DESCRIPTION OF PROGRAM SERVICES AND MAJOR ACTIVITIES
(continued)

Management and Fundraising Activities

This includes general fundraising proceeds received outside of the major programs described above. Additionally, this includes the administrative and fundraising costs incurred by the Foundation.

4. RELATED PARTY TRANSACTIONS

As discussed in Note 2, the Foundation receives certain administrative and corporate support from the Carrington family of companies in the form of personnel, office space and office equipment. Such amounts are allocated to the Foundation and recorded as contributed services, revenues, and allocated administrative expenses in the accompanying statements of activities and changes in net assets. During the years ended December 31, 2012 and 2011, the Foundation was allocated \$201,190 and \$164,394, respectively, from the Carrington family of companies for such services and expenses. The Carrington family of companies also provides support to the Foundation's fundraising activities through direct payment of fundraising expenses. During the years ended December 31, 2012 and 2011, \$0 and \$316,829, respectively, was recorded as Fundraising revenues and Fundraising activities in the accompanying statements of activities and changes in net assets. In addition, the Foundation receives cash donations from the Carrington family of Companies in connection with major fund raising activities. During the years ended December 31, 2012 and 2011, the Foundation received \$325,000 and \$150,000, respectively from the Carrington family of Companies.

5. CONTRIBUTED REAL PROPERTY

Contributed real property consists of land, building and improvements donated to the Foundation for the purpose of providing temporary housing for seriously injured military personnel undergoing rehabilitation at medical facilities and their families. Contributed real property is recorded at fair value at the time of donation and is restricted through 2017. There is no depreciation for the year ended December 31, 2012 as the asset was not yet placed in service. Contributed real property consists of the following at December 31:

	<u>2012</u>	<u>2011</u>
Land	\$ 200,000	\$ —
Building and improvements	<u>126,100</u>	<u>—</u>
Total contributed real property	<u>\$ 326,100</u>	<u>\$ —</u>

CARRINGTON CHARITABLE FOUNDATION
DETAILS OF MAJOR FUNDRAISING ACTIVITIES
For the Year Ended December 31, 2012

	<u>Golf Tournament</u>	<u>Auction</u>
REVENUES		
Sponsor and fundraising	\$ 716,000	\$ -
Auction proceeds	-	221,190
Donations	154,500	-
Total revenues	<u>870,500</u>	<u>221,190</u>
EXPENSES		
Facilities and catering	363,576	-
Merchandise and gifts	49,427	-
Supplies and promotional	44,359	-
Photography	3,000	-
Auction expenses	-	16,602
Total expenses	<u>460,362</u>	<u>16,602</u>
NET FUNDS RAISED BY MAJOR FUNDRAISING ACTIVITIES	<u>\$ 410,138</u>	<u>\$ 204,588</u>