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

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

2012

Open to Public Inspection

For calendar year 2012 or tax year beginning**, 2012, and ending****, 20**

Name of foundation Herscher Foundation, Inc.		A Employer identification number 55-6018744
Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see instructions) 304-346-9630
City or town, state, and ZIP code Charleston, WV 25301		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change		D 1. Foreign organizations, check here ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 2,511,965	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	50,400	50,400		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	164,993			
	b Gross sales price for all assets on line 6a 1,616,415				
	7 Capital gain net income (from Part IV, line 2)		164,993		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)	0			
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	215,393	215,393	0	
	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	2,649	2,649		
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)	17,961	17,063		898
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	4,027			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	25	25		
	24 Total operating and administrative expenses. Add lines 13 through 23	24,662	19,737	0	898
	25 Contributions, gifts, grants paid	122,100			122,100
	26 Total expenses and disbursements. Add lines 24 and 25	146,762	19,737	0	122,998
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	68,631			
	b Net investment income (if negative, enter -0-)		195,656		
	c Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2012)

SCANNED MAY 16 2013

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	63,547	67,286	67,286
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U.S. and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	2,170,358	2,337,051	2,444,679
	c	Investments—corporate bonds (attach schedule)	100,001		
	11	Investments—land, buildings, and equipment: basis ▶			
Liabilities		Less: accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment: basis ▶			
		Less: accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)			
	16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	2,333,906	2,404,337	2,511,965
	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
Net Assets or Fund Balances	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	0	0	
		Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	1,948,545	1,948,545	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	385,361	455,792	
	30	Total net assets or fund balances (see instructions)	2,333,906	2,404,337	
	31	Total liabilities and net assets/fund balances (see instructions)	2,333,906	2,404,337	

Part III Analysis of Changes in Net Assets or Fund Balances		
1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1 2,333,906
2	Enter amount from Part I, line 27a	2 68,631
3	Other increases not included in line 2 (itemize) ▶ <u>Adj for acc. int; class action settlements</u>	3 1,800
4	Add lines 1, 2, and 3	4 2,404,337
5	Decreases not included in line 2 (itemize) ▶	5
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6 2,404,337

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)			(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a See attached schedule					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a			0		
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2	164,993	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8			3	2,625	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2011	120,000	2,577,215	0.0466
2010	129,904	2,453,160	0.0530
2009	130,592	2,181,995	0.0598
2008	138,796	2,659,771	0.0522
2007	153,751	3,139,970	0.0490
2 Total of line 1, column (d)			2 0.2606
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 .0521
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 2,511,480
5 Multiply line 4 by line 3			5 130,848
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,957
7 Add lines 5 and 6			7 132,805
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			8 122,998

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b	1	3,913
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2	3	3,913
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	3,913
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	3,000
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	3,000
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	913
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0
11	Enter the amount of line 10 to be: Credited to 2013 estimated tax Refunded	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ _____ (2) On foundation managers. ► \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes.</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► West Virginia		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ► NA				
14	The books are in care of ► United Bank Trust Dept. Telephone no. ► 304-348-8400			
	Located at ► United Center, Virginia St., Charleston, WV ZIP+4 ► 25301			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here. ► ☐			
	and enter the amount of tax-exempt interest received or accrued during the year ► 15			
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►			X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No		
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b	
Organizations relying on a current notice regarding disaster assistance check here ► ☐		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? ☐ Yes ☒ No		
If "Yes," list the years ► 20____, 20____, 20____, 20____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20____, 20____, 20____, 20____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
b If "Yes," did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012.)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?**5b**Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No**6b**

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**7b****Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See attached schedule				

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ☐

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)***3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	

Total. Add lines 1 through 3 ▶

0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	2,472,323
b	Average of monthly cash balances	1b	77,403
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	2,549,726
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	2,549,726
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	38,246
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,511,480
6	Minimum investment return. Enter 5% of line 5	6	125,574

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	125,574
2a	Tax on investment income for 2012 from Part VI, line 5	2a	3,913
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	3,913
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	121,661
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	121,661
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	121,661

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	122,998
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	122,998
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	122,998

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				121,661
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only				
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008 6,945				
c From 2009 22,508				
d From 2010 8,638				
e From 2011				
f Total of lines 3a through e	38,091			
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 122,998				
a Applied to 2011, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2012 distributable amount				121,661
e Remaining amount distributed out of corpus	1,337			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	39,428			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions		0		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount—see instructions			0	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	39,428			
10 Analysis of line 9:				
a Excess from 2008 6,945				
b Excess from 2009 22,508				
c Excess from 2010 8,638				
d Excess from 2011				
e Excess from 2012 1,337				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year				(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	0	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)**1 Information Regarding Foundation Managers:**

- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

None

- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

None

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

- a** The name, address, and telephone number or e-mail of the person to whom applications should be addressed:

Charles L. Jarrell, 906 Kanawha Valley Bldg., 300 Capitol St., Charleston, WV 25301 (304) 346-9630

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

No prescribed form. Proof of exempt status and all information relevant to proposed grant.

- c** Any submission deadlines:

None

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

Limited generally to state of WV and adjacent areas in Ohio; grants not made to individuals.

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i> See attached schedule				
Total				3a 122,100
b <i>Approved for future payment</i>				
Total				3b 0

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue:					
a	_____					
b	_____					
c	_____					
d	_____					
e	_____					
f	_____					
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities			14	50,400	
5	Net rental income or (loss) from real estate:					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory			18	164,993	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue: a _____					
	b _____					
	c _____					
	d _____					
	e _____					
12	Subtotal. Add columns (b), (d), and (e)		0		215,393	0
13	Total. Add line 12, columns (b), (d), and (e)				13 215,393	215,393

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a Transfers from the reporting foundation to a noncharitable exempt organization of:			
(1) Cash			X
(2) Other assets			X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization			X
(2) Purchases of assets from a noncharitable exempt organization			X
(3) Rental of facilities, equipment, or other assets			X
(4) Reimbursement arrangements			X
(5) Loans or loan guarantees			X
(6) Performance of services or membership or fundraising solicitations			X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees			X
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.			

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

**Sign
Here**

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

Signature of officer or trustee

Date _____

Title

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

**Paid
Preparer
Use Only**

Print/Type preparer's name

John F. Allevato

Preparer's signature _____

John F. Miller
& Battle, PLLC

Date

5-8-13

Check ☐ if self-employed

PTIN	
------	--

P01083380

Firm's name ▶ Spilman Thomas & Battle, PLLC

Firm's EIN ► 55-0282458

Firm's address ► P.O. Box 273, Charleston, WV 25321-0273

Phone no 304-340-3885

HERSCHER FOUNDATION, INC.

E.I.N. 55-6018744

TAX YEAR 2012

FORM 990-PF

PART I - ANALYSIS OF REVENUE AND EXPENSES

<u>Line 16a-Legal Fees</u>	Preparation of Tax Returns and related legal services	<u>\$2,649</u>
<u>Line 16c-Other Professional Fees</u>	United Bank, prof. mgt. fees	<u>\$17,961</u>
<u>Line 18-Taxes</u>	2011 tax due and paid on 2011 return; Estimated tax payments made in 2012	<u>\$ 4,027</u>
<u>Line 23-Other</u>	WV license fee for corps.	<u>\$25</u>

Herscher Foundation, Inc.

E.I.N. 55-6018744

Tax Year 2012

Form 990-PF

Part II-Balance Sheet-Line 10b-Investments in Corporate Stocks:

	<u>Beginning of Year</u>		<u>End of Year</u>	
	<u>Book Value</u>		<u>Book Value</u>	<u>Fair Market Value</u>
11,659.532 units Pimco All Asset Fund	\$ 121,605	\$	145,112	\$ 146,677
5311.746 units Pimco Emerging Local Bd Fund	\$ 58,625	\$	-	\$ -
175 shs ExxonMobil Corp	\$ 9,448	\$	7,806	\$ 15,146
418 shs. Coca-Cola stock	\$ 21,408	\$	11,699	\$ 15,152
3799 1 units TFS Market Neutral Fund	\$ 42,571	\$	57,762	\$ 59,342
2132.473 units Prudential Jennison Mid Cap Fund	\$ -	\$	68,559	\$ 69,135
6108.203 units Natixis Vaughn Nelson Small Cap fd	\$ 104,901	\$	129,111	\$ 117,522
5349.599 units Royce Total Return Fund	\$ 62,774	\$	-	\$ -
195 shs ITC Holdings Corp stock	\$ 20,097	\$	13,284	\$ 14,997
156 shs. McDonalds stock	\$ 26,415	\$	14,985	\$ 13,761
186 shs. UPS stock	\$ 23,613	\$	13,472	\$ 13,714
286 shs KLA Tencor Corp stock	\$ 16,382	\$	12,732	\$ 13,659
467 shs Microsoft Corp. stock	\$ 7,027	\$	13,170	\$ 12,473
967 shs Altria stock	\$ 17,509	\$	-	\$ -
182 shs Phillip Morris Intl stock	\$ -	\$	16,866	\$ 15,222
142 shs. Chevron stock	\$ 17,597	\$	10,361	\$ 15,356
323 shs. Kinder Morgan Energy Partners LP	\$ 17,614	\$	-	\$ -
14,840 003 units Riverpark/Wedgewood Lg Cap Foc F	\$ 80,077	\$	177,969	\$ 205,386
249 shs Abbott Labs stock	\$ 17,647	\$	13,825	\$ 16,310
389 shs Deere & Co stock	\$ 19,108	\$	-	\$ -
339 shs PPG Industries stock	\$ 18,897	\$	-	\$ -
471 shs. AT&T stock	\$ 17,619	\$	11,956	\$ 15,877
082 708 units Cambiar Opp Fund	\$ 84,678	\$	-	\$ -
236 shs T. Rowe Price stock	\$ -	\$	14,177	\$ 15,368
8880 391 units Touchstone Small Cap Core Fund	\$ -	\$	138,534	\$ 144,750
250 shs. Honeywell Intl Inc stock	\$ 18,079	\$	10,046	\$ 15,868
30 shs. Apple stock	\$ -	\$	16,472	\$ 15,965
554 shs. Cisco stock	\$ -	\$	10,789	\$ 10,886
1869 600 units Vanguard 500 Index Fund	\$ -	\$	206,759	\$ 202,889
18,211 803 units Federated Strategic Inc Fund	\$ 153,625	\$	164,737	\$ 171,737
997.080 units Baron Growth Fund	\$ 35,547	\$	-	\$ -
329 shs. National Fuel Gas stock	\$ -	\$	15,069	\$ 16,677
3356.357 units ING Global Real Estate Fund	\$ -	\$	57,964	\$ 60,582
5989 283 units Doubleline Total Ret Bond Fund	\$ -	\$	67,320	\$ 67,859
7684.196 units Royce Micro Cap Inv Cl Fund	\$ 100,973	\$	-	\$ -
5892.650 units Altegris Mgd Futures Strat Fund	\$ -	\$	58,644	\$ 55,568
6005 879 units Altegris Macro Strat Class I Fund	\$ -	\$	58,257	\$ 53,753
4565.072 units Vanguard Div. Growth Fund	\$ 185,845	\$	69,125	\$ 75,963
3246 080 units Diamond Hill Long Short Fund	\$ 42,388	\$	56,985	\$ 59,566
8358.781 units Driehaus Active Income Fund	\$ 63,059	\$	92,087	\$ 89,188
5442.132 units Hatteras Alpha Hedged Strategies	\$ 58,906	\$	56,544	\$ 58,285
8790.939 units JPMChase Mtg Bk Sec Fund	\$ 152,696	\$	100,568	\$ 102,151
11,573 118 units Princeton Funds Futures Strategy	\$ 123,574	\$	-	\$ -
5437.550 units Steelpath MLP Alpha Class I Fund	\$ -	\$	57,964	\$ 57,638
2561.879 units Acadian Emg. Mkts Portfolio	\$ 42,815	\$	-	\$ -
5886.764 units Harding Loevner Global Equity Fd	\$ 81,145	\$	140,133	\$ 152,349
1704.141 units Harbor Intl Fund	\$ 82,881	\$	90,269	\$ 105,861
3136.921 units Harding Loevner Emg Mkt. Portfolio	\$ 126,319	\$	135,939	\$ 152,047

Herscher Foundation, Inc.

E.I.N. 55-6018744

Tax Year 2012

Form 990-PF

12,523.214 units Manning Napier World Opp Fund	\$	96,894	\$	-	\$	-
Totals-Line 10b	\$	2,170,358	\$	2,337,051	\$	2,444,679

Part II-Balance Sheet-Line 10c-Investments in Corporate Bonds:

	<u>Beginning of Year</u>		<u>End of Year</u>	
	<u>Book Value</u>		<u>Book Value</u>	<u>Fair Market Value</u>
\$50,000 Merrill Lynch Floating Rate	\$ 50,000	\$	-	\$ -
\$50,000 GE Div Fin. 5 45% bond due 02/15/2023	\$ 50,001	\$	-	\$ -
Totals-Line 10c	\$ 100,001	\$	-	\$ -

Herscher Foundation, Inc.
E.I.N. 55-6018744
Tax Year 2012
Form 990-PF

**Part IV, Capital Gains and Losses for
Tax on Investment Income**

Description	Sold	Acquired	Proceeds	Cost	Gain/Loss
** SHORT TERM CAPITAL GAIN (LOSS)					
4121.377 SHARES OF PIMCO EMERGING LOCAL BOND FUND CLASS I	03/23/2012	04/21/2011	44,219.87	45,507.00	1,287.13-
1190.369 SHARES OF PIMCO EMERGING LOCAL BOND FUND CLASS I	03/23/2012	08/24/2011	12,771.94	13,117.87	345.93-
119 SHARES OF MCDONALDS CORP COMMON	03/23/2012	12/07/2011	11,389.22	11,430.42	41.20-
82 SHARES OF KLA TENCOR CORP	03/23/2012	11/18/2011	4,322.22	3,650.30	671.92
182.546 SHARES OF HATTERAS ALPHA HEDGED STRATEGIES	03/29/2012	08/24/2011	1,980.63	1,896.65	83.98
103.289 SHARES OF JPMCHASE MORTGAGE - BACKED SECURITIES FUND	03/29/2012	08/24/2011	1,189.89	1,181.63	8.26
2861.947 SHARES OF MANNING AND NAPIER WORLD OPPORTUNITIES FUND #114 CLASS A	06/21/2012	03/29/2012	19,289.49	21,722.18	2,432.69-
972 SHARES OF PRINCETON FUTURES STRATEGY I SHARES	07/12/2012	08/24/2011	9,272.85	9,817.20	544.35-
4270.727 SHARES OF PRINCETON FUTURES STRATEGY I SHARES	07/12/2012	03/29/2012	40,742.60	39,931.30	811.30
400.261 SHARES OF DOUBLELINE TOTAL RETURN BOND FUND CLASS I	08/23/2012	03/29/2012	4,550.97	4,498.93	52.04
44.848 SHARES OF HATTERAS ALPHA HEDGED STRATEGIES	08/23/2012	08/24/2011	478.97	465.97	13.00
572.059 SHARES OF JPMCHASE MORTGAGE - BACKED SECURITIES FUND	08/23/2012	08/24/2011	6,653.05	6,544.35	108.70
501.259 SHARES OF TOUCHSTONE SMALL CAP CORE FUND	08/23/2012	03/29/2012	7,769.52	7,819.64	50.12-
5840.17 SHARES OF VANGUARD DIVIDEND GROWTH FUND CLASS I	08/23/2012	06/26/2012	96,888.42	92,800.48	4,087.94
4154.402 SHARES OF CAMBIAR OPPORTUNITY FUND CL I	12/20/2012	03/29/2012	76,274.75	75,817.84	456.91
2123.29 SHARES OF CAMBIAR OPPORTUNITY FUND CL I	12/20/2012	08/23/2012	38,983.57	37,391.14	1,592.43
1266.276 SHARES OF ROYCE MICRO CAP INV CL FUND # 264	12/21/2012	03/29/2012	18,563.55	20,640.30	2,076.75-
383.67 SHARES OF ROYCE MICRO CAP INV CL FUND # 264	12/21/2012	08/23/2012	5,624.59	5,678.31	53.72-
** TOTAL SHORT TERM CAPITAL GAIN (LOSS)			400,966.10	399,911.51	1,054.59
** LONG TERM CAPITAL GAIN (LOSS)					
1257.977 SHARES OF ACADIAN EMERGING MARKETS	03/23/2012	11/18/2009	23,461.16	20,580.50	2,880.66
982.629 SHARES OF ACADIAN EMERGING MARKETS	03/23/2012	03/04/2010	18,325.95	15,889.11	2,436.84
321.273 SHARES OF	03/23/2012	02/16/2011	5,991.71	6,345.14	353.43-

ACADIAN EMERGING MARKETS						
858.353 SHARES OF	03/23/2012	06/05/2009	47,973.26	29,965.57	18,007.69	
BARON GROWTH FUND INSTITUTIONAL						
138.727 SHARES OF	03/23/2012	11/18/2009	7,753.44	5,581.17	2,172.27	
BARON GROWTH FUND INSTITUTIONAL						
3925.548 SHARES OF	03/23/2012	05/23/2008	53,819.18	50,120.86	3,698.32	
ROYCE TOTAL RETURN FUND - INST						
1173.447 SHARES OF	03/23/2012	04/24/2009	16,087.93	10,007.00	6,080.93	
ROYCE TOTAL RETURN FUND - INST						
250.604 SHARES OF	03/23/2012	11/18/2009	3,435.78	2,646.37	789.41	
ROYCE TOTAL RETURN FUND - INST						
178 SHARES OF	03/23/2012	08/20/2009	16,680.13	9,444.03	7,236.10	
PPG INDUSTRIES INC COMMON						
100 SHARES OF	03/23/2012	02/18/2011	7,674.61	6,812.49	862.12	
ITC HOLDINGS CORP COMMON						
67 SHARES OF	03/23/2012	02/06/2009	4,040.06	3,821.51	218.55	
ABBOTT LABORATORIES COMMON STOCK						
217 SHARES OF	03/23/2012	02/06/2009	6,833.25	5,663.53	1,169.72	
AT&T INC COMMON STOCK						
203 SHARES OF	03/23/2012	09/18/2009	16,427.59	9,199.00	7,228.59	
DEERE & CO COM						
202 SHARES OF	03/23/2012	02/18/2010	12,100.66	8,033.51	4,067.15	
HONEYWELL INTL INC COMMON						
97 SHARES OF	03/23/2012	02/06/2009	10,341.48	7,236.15	3,105.33	
CHEVRON CORPORATION						
140 SHARES OF	03/23/2012	01/06/2011	11,164.64	10,140.38	1,024.26	
UNITED PARCEL SERVICE INC						
144 SHARES OF	03/23/2012	02/06/2009	12,035.36	7,193.42	4,841.94	
KINDER MORGAN ENERGY PARTNERS LP						
128 SHARES OF	03/23/2012	08/13/1991	10,959.66	1,642.12	9,317.54	
EXXON MOBIL CORP						
160 SHARES OF	03/23/2012	04/17/2008	11,429.49	9,708.94	1,720.55	
COCA COLA CO COMMON						
471 SHARES OF	03/23/2012	02/06/2009	14,311.82	7,945.09	6,366.73	
ALTRIA GROUP INC COMMON STOCK						
50000 UNITS OF	03/26/2012	01/28/2008	51,042.50	50,000.64	1,041.86	
GENERAL ELECTRIC DIVERSIFIED FINAN SERV						
CALLABLE CALL 02/15/13 @100 5.45%						
02/15/2023						
50000 UNITS OF	03/26/2012	04/30/2004	49,067.50	50,000.14	932.64	
MERRILL LYNCH & CO FLOATING RATE NOTE						
5.61% 05/05/2014						
2012.152 SHARES OF	03/29/2012	08/25/2010	23,179.99	22,757.44	422.55	
JPMCHASE MORTGAGE - BACKED SECURITIES						
FUND						
1923.947 SHARES OF	03/29/2012	02/16/2011	22,163.87	21,644.40	519.47	
JPMCHASE MORTGAGE - BACKED SECURITIES						
FUND						
5313.871 SHARES OF	03/29/2012	08/25/2010	87,838.29	66,689.08	21,149.21	
VANGUARD DIVIDEND GROWTH FUND CLASS I						
4059.059 SHARES OF	03/29/2012	02/16/2011	67,096.25	60,926.48	6,169.77	
VANGUARD DIVIDEND GROWTH FUND CLASS I						
71 SHARES OF	04/20/2012	02/06/2009	5,980.94	3,546.75	2,434.19	
KINDER MORGAN ENERGY PARTNERS LP						
108 SHARES OF	04/20/2012	02/26/2010	9,097.77	6,873.36	2,224.41	
KINDER MORGAN ENERGY PARTNERS LP						
4366.812 SHARES OF	05/09/2012	04/21/2011	39,993.00	46,858.78	6,865.78	
PRINCETON FUTURES STRATEGY I SHARES						
3314.002 SHARES OF	05/09/2012	04/21/2011	39,993.00	41,825.28	1,832.28	
PIMCO ALL ASSET FUND INST SHS #34						
49 SHARES OF	05/14/2012	08/20/2009	5,062.13	2,599.76	2,462.37	
PPG INDUSTRIES INC COMMON						
112 SHARES OF	05/14/2012	02/26/2010	11,570.57	6,853.51	4,717.06	
PPG INDUSTRIES INC COMMON						
7797.076 SHARES OF	06/21/2012	08/26/2009	52,552.20	58,090.37	5,538.17	

MANNING AND NAPIER WORLD OPPORTUNITIES FUND #114 CLASS A	06/21/2012	03/04/2010	26,676.86	31,782.72	5,105.86-
3957.998 SHARES OF MANNING AND NAPIER WORLD OPPORTUNITIES FUND #114 CLASS A	06/21/2012	02/16/2011	5,177.25	7,020.80	1,843.55-
768.14 SHARES OF MANNING AND NAPIER WORLD OPPORTUNITIES FUND #114 CLASS A	07/12/2012	04/21/2011	59,475.09	66,898.22	7,423.13-
6234.306 SHARES OF PRINCETON FUTURES STRATEGY I SHARES	08/20/2012	09/18/2009	3,622.29	2,129.82	1,492.47
47 SHARES OF DEERE & CO COM	08/23/2012	02/16/2011	11,797.39	11,507.19	290.20
1261.753 SHARES OF FEDERATED STRATEGIC INCOME FUND #653 CLASS I	08/23/2012	04/21/2011	15,625.50	14,927.03	698.47
875.378 SHARES OF DIAMOND HILL LONG SHORT FUND 11 CLASS I	08/23/2012	04/21/2011	906.87	978.34	71.47-
87.032 SHARES OF DRIEHAUS FUNDS ACTIVE INCOME FUND CLASS A (CLOSED TO NEW INVESTORS)	08/23/2012	04/24/2009	13,728.20	9,036.11	4,692.09
237.759 SHARES OF HARBOR INTERNATIONAL FUND	08/23/2012	08/06/2009	1,116.52	941.14	175.38
19.337 SHARES OF HARBOR INTERNATIONAL FUND	08/23/2012	08/06/2009	22,176.62	17,664.86	4,511.76
471.542 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS	08/23/2012	03/04/2010	25,237.54	21,694.02	3,543.52
1006.683 SHARES OF HARDING LOEVNER GLOBAL EQUITY	08/23/2012	05/23/2008	2,089.02	2,439.00	349.98-
108.352 SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS	08/23/2012	04/21/2011	17,948.37	18,196.80	248.43-
1172.33 SHARES OF TFS MARKET NEUTRAL FUND	09/07/2012	09/18/2009	1,166.91	679.73	487.18
15 SHARES OF DEERE & CO COM	09/07/2012	02/26/2010	9,646.42	7,099.20	2,547.22
124 SHARES OF DEERE & CO COM	10/03/2012	02/06/2009	5,403.95	2,682.10	2,721.85
159 SHARES OF ALTRIA GROUP INC COMMON STOCK	10/03/2012	02/26/2010	11,453.65	6,881.21	4,572.44
337 SHARES OF ALTRIA GROUP INC COMMON STOCK	11/08/2012	08/06/2009	69,165.81	54,468.96	14,696.85
4667.071 SHARES OF ROYCE MICRO CAP INV CL FUND # 264	12/20/2012	08/24/2011	93,318.43	84,677.91	8,640.52
5082.708 SHARES OF CAMBIAR OPPORTUNITY FUND CL I	12/21/2012	08/06/2009	8,919.12	7,100.58	1,818.54
608.4 SHARES OF ROYCE MICRO CAP INV CL FUND # 264	12/21/2012	11/18/2009	2,671.00	2,454.19	216.81
182.197 SHARES OF ROYCE MICRO CAP INV CL FUND # 264	12/21/2012	03/04/2010	11,827.53	11,295.07	532.46
806.791 SHARES OF ROYCE MICRO CAP INV CL FUND # 264	12/21/2012	02/16/2011	20,813.29	25,654.65	4,841.36-
1419.737 SHARES OF ROYCE MICRO CAP INV CL FUND # 264					
** TOTAL LONG TERM CAPITAL GAIN (LOSS)			1,215,448.80	1,074,851.53	140,597.27

** SHORT TERM CAPITAL GAINS DIVIDENDS

6216.555 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS	205.15
8880.391 BASIS SHARES OF TOUCHSTONE SMALL CAP CORE FUND	2.58

4667 071 BASIS SHARES OF ROYCE MICRO CAP INV CL FUND # 264			127.41
14840.003 BASIS SHARES OF RIVERPARK/WEDGEWOOD LARGE CAP FOCUSED GROWTH FUND SHARE CLASS I			642.57
6108 203 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS			592.50
** TOTAL SHORT TERM CAPITAL GAINS DIVIDENDS	0.00	0.00	1,570 21
** LONG TERM CAPITAL GAINS DIVIDENDS			
6216 555 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS			1,451.57
8880.391 BASIS SHARES OF TOUCHSTONE SMALL CAP CORE FUND			1,079.77
4667 071 BASIS SHARES OF ROYCE MICRO CAP INV CL FUND # 264			3,859.20
3136.921 BASIS SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS			9,875.32
6108.203 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS			5,501.05
TOTAL GAIN FROM PARTNERSHIPS, S CORPORATIONS, OR OTHER FIDUCIARIES	3.53	0.00	3.53
** TOTAL LONG TERM CAPITAL GAINS DIVIDENDS	3.53	0.00	21,770.44

SUMMARY

Description	Amount
** SUMMARY OF CAPITAL GAINS AND LOSSES **	
TOTAL SHORT TERM CAPITAL GAIN (LOSS)	1,054.59
TOTAL SHORT TERM CAPITAL GAINS DIVIDENDS	1,570 21
NET SHORT TERM CAPITAL GAIN (LOSS)	2,624 80
TOTAL LONG TERM CAPITAL GAIN (LOSS)	140,597.27
TOTAL LONG TERM CAPITAL GAINS DIVIDENDS	21,770.44
TOTAL 28% RATE CAPITAL GAINS DIVIDENDS	0.00
TOTAL SEC 1250 CAPITAL GAINS DIVIDENDS	0 00
TOTAL SEC 1202 CAPITAL GAINS DIVIDENDS	0.00
NET LONG TERM CAPITAL GAIN (LOSS)	162,367 71
NET CAPITAL GAIN (LOSS)	164,992.51
TOTAL GAIN/LOSS FROM SALES WITH UNKNOWN COST/ACQUISITION DATE	0.00

HERSCHER FOUNDATION, INC.
E.I.N. 55-6018744
TAX YEAR 2012
FORM 990-PF

PART VIII - INFORMATION ABOUT OFFICERS, DIRECTORS, FOUNDATION MANAGERS, ETC.

<u>NAME AND ADDRESS</u>	<u>TITLE AND TIME DEVOTED</u>	<u>CONTRIBUTIONS TO PLANS</u>	<u>EXPENSE ACCOUNT</u>	<u>COMPENSATION</u>
Charles L. Jarrell 906 Kanawha Valley Building 300 Capitol Street Charleston, WV 25301	Trustee, President and Treasurer Part-Time	NONE	NONE	NONE
Michael Wehrle 3150 West Teal Rd Jackson, WY 83001	Trustee and Vice President Part-Time	NONE	NONE	NONE
Nelle R. Chilton P. O. Box 311 Charleston, WV 25321	Trustee Part-Time	NONE	NONE	NONE
Susie Salisbury 1116 Smith Street Charleston, WV 25301	Trustee Part-Time	NONE	NONE	NONE
Russell L. Isaacs P. O. Box 441 Charleston, WV 25322	Trustee Part-Time	NONE	NONE	NONE
Thomas A. Heywood 600 Quarrier Street Charleston, WV 25301	Trustee Part-Time	NONE	NONE	NONE
John F. Allevato 300 Kanawha Blvd., East Charleston, WV 25301	Secretary and Trustee Part-Time	NONE	NONE	NONE

Herscher Foundation, Inc.
EIN 55-6018744
Tax Year 2012
Form 990-PF

PART XV-3A-GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

No recipients are individuals

All organizations listed are tax-exempt under Section 501c(3) of the IRC

All organizations located in Charleston, WV

EDUCATION

National Science Foundation-National Youth Science Camp	\$ 5,000
University of Charleston	\$ 15,000
Education Alliance	\$ 1,500
West Virginia Youth in Government	\$ 500
Kanawha County Public Library	\$ 5,000
Subtotal	\$ 27,000

CULTURAL ACTIVITIES

Clay Center	\$ 15,000
WV Humanities Council	\$ 10,000
Kanawha Garden Club	\$ 2,500
West Virginia Symphony Orchestra	\$ 15,000
Buckskin Council-Boy Scouts	\$ 500
Black Diamond Council-Girl Scouts	\$ 500
West Virginia Public Broadcasting	\$ 10,000
Charleston Ballet	\$ 1,000
Subtotal	\$ 54,500

SOCIAL AND WELFARE SERVICES

Covenant House	\$ 6,500
American Red Cross	\$ 5,000
Children's Home Society	\$ 5,000
Capital City Striders	\$ 500
Daymark	\$ 1,500
West Virginia Health Right	\$ 2,500
United Way of Kanawha Valley, Inc	\$ 6,600
Charleston Gazette Charities	\$ 1,000
Daily Mail Neediest Cases	\$ 1,000
Dollar Energy Fund	\$ 5,000
Manna Meal	\$ 1,000
Salvation Army	\$ 5,000
Subtotal	\$ 40,600

TOTAL GRANTS AND CONTRIBUTIONS FOR 2012	<u>\$ 122,100</u>
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