Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2012

Open to Public Inspection

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

Name of foundation: Virginia Educational Fund

A Employer identification number: 61-6035278

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

Room/suite:

B Telephone number (see instructions): 859-985-3088

City or town, state, and ZIP code: Berea, KY 40404-001

C If exemption application is pending, check here ▶ ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization: ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶ $ 89809

J Accounting method: ☑ Cash ☐ Accrual ☐ Other (specify) ________ *(Part I, column (d) must be on cash basis.)*

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

EMVELOPE POSTMARK DATE MAY 15 2013

SCANNED MAY 30 2013

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).)*

	Line	Description	(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	12	12		
	4	Dividends and interest from securities	3824	3824		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10				
	b	Gross sales price for all assets on line 6a				
	7	Capital gain net income (from Part IV, line 2)				
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less: Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	3836	3836		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)	92			
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	101			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications	8			
	23	Other expenses (attach schedule)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	201			
	25	Contributions, gifts, grants paid	7000			7000
	26	**Total expenses and disbursements.** Add lines 24 and 25	7201			7000
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	-3365			
	b	**Net investment income** (if negative, enter -0-)		3836		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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	24376	21011	21011
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)	27616	27616	31053
b Investments—corporate stock (attach schedule)	14442	14442	37745
c Investments—corporate bonds (attach schedule)			
11 Investments—land, buildings, and equipment: basis ▶			
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)	66434	63069	89809
Liabilities			
17 Accounts payable and accrued expenses			
18 Grants payable			
19 Deferred revenue			
20 Loans from officers, directors, trustees, and other disqualified persons			
21 Mortgages and other notes payable (attach schedule)			
22 Other liabilities (describe ▶)			
23 **Total liabilities** (add lines 17 through 22)			
Net Assets or Fund Balances			
Foundations that follow SFAS 117, check here ▶ ☑ **and complete lines 24 through 26 and lines 30 and 31.**			
24 Unrestricted			
25 Temporarily restricted	66434	63069	
26 Permanently restricted			
Foundations that do not follow SFAS 117, check here ▶ ☐ **and complete lines 27 through 31.**			
27 Capital stock, trust principal, or current funds			
28 Paid-in or capital surplus, or land, bldg., and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds			
30 **Total net assets or fund balances** (see instructions)	66434	63069	
31 **Total liabilities and net assets/fund balances** (see instructions)	66434	63069	

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	66434
2 Enter amount from Part I, line 27a	2	-3365
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	63069
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	63069

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				
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
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	
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	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2011	9899	106073	.09
2010	5000	107661	.05
2009	0	104951	0
2008	0	128308	0
2007	0	124603	0

2	**Total** of line 1, column (d)	2	.14
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	.03
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	98098
5	Multiply line 4 by line 3	5	2943
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	38
7	Add lines 5 and 6	7	2981
8	Enter qualifying distributions from Part XII, line 4	8	7000

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b	1	38
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	38
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	38
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012 — 6a		
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	
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	38
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be. **Credited to 2013 estimated tax** ▶ **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

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

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
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		✓
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		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	

Website address ▶ N/A

14 The books are in care of ▶ Lyle Roelofs, Trustee Telephone no. ▶ 859-985-3088

Located at ▶ Berea, KY ZIP+4 ▶ 40404-001

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041**—Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

			Yes	No
16	At any time during calendar year 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		✓
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

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		✓
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		✓
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		✓

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?	**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?	**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
Lyle Roelofs Berea, KY 40404	Trustee, 1 hour	0	0	0
Rev. F. Neff Powell Roanoke, VA 24009	Trustee, 1 hour	0	0	0

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

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

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 None	
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 None	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 . . . . ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	57112
b	Average of monthly cash balances	1b	42480
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	99592
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	99592
4	Cash deemed held for charitable activities. Enter 1 ½ % of line 3 (for greater amount, see instructions)	4	1494
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	98098
6	**Minimum investment return.** Enter 5% of line 5	6	4905

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	4905
2a	Tax on investment income for 2012 from Part VI, line 5	2a	38		
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	38
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	4867
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	4867
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	4867

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	7000
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	7000
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	38
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	6962

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					4867
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	11146				
b	From 2008	9177				
c	From 2009	8866				
d	From 2010	5342				
e	From 2011	4595				
f	**Total** of lines 3a through e		39126			
4	Qualifying distributions for 2012 from Part XII, line 4: ▶ $ 7000					
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					4867
e	Remaining amount distributed out of corpus		2133			
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		41259			
b	Prior years' undistributed income. Subtract line 4b from line 2b					
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed					
d	Subtract line 6c from line 6b Taxable amount—see instructions					
e	Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount—see instructions					
f	Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013					
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)		11146			
9	**Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a		30113			
10	Analysis of line 9:					
a	Excess from 2008	9177				
b	Excess from 2009	8866				
c	Excess from 2010	5342				
d	Excess from 2011	4595				
e	Excess from 2012	2133				

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

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

1 Information Regarding Foundation Managers:

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

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:

Director of Student Financial Aid Berea College Berea, KY 40404

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

See schedule B

c Any submission deadlines:

See schedule B

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

See schedule B

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See attached schedule	None	N/A	Educational	7000
Total . . . . ▶ **3a**				7000
b *Approved for future payment*				
None				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See instructions)
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			512	12	
4 Dividends and interest from securities			512	3824	
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					
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)				3836	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 3836

(See worksheet in line 13 instructions to verify calculations.)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See instructions)
	None

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		✓
	(2) Other assets	1a(2)		✓
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		✓
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		✓
	(3) Rental of facilities, equipment, or other assets	1b(3)		✓
	(4) Reimbursement arrangements	1b(4)		✓
	(5) Loans or loan guarantees	1b(5)		✓
	(6) Performance of services or membership or fundraising solicitations	1b(6)		✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		✓

d If the answer to any of the above is "Yes," complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

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

▶ Lyle O. Rudolph | 5/14/2013 | ▶ Trustee

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	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

THE MORRILL FUNDS

Dr. E. Franc Morrill of Rock Island, Illinois, died on January 26, 1932. Prior to her death, she visited and practiced medicine in the mountains of Southwest Virginia and became genuinely interested in the Southern Appalachian Highlands. In her will, Dr. Morrill stated that "It is my desire to help, aid and assist worthy and ambitious young men and young women of the district known as the Southern Mountain District of the United States and composed of the mountainous regions of the States of Virginia, West Virginia, Tennessee, Kentucky, Georgia, North Carolina, and South Carolina to acquire and complete an education in medicine or nursing."

The Morrill Fund is administered by two Trustees, one of them being the President of Berea College. The Trustees of the Morrill fund elected the President of Berea College as Secretary and Treasurer of the fund.

The Trustees of the Morrill Fund want to carry out the wishes of Dr. Morrill that as many young men and young women as possible be granted financial assistance to study medicine and nursing In order that the Morrill Fund might help more people, each person who receives financial aid from the fund will be expected to refund the amount of money received at such time as the recipient is financially able to make payment. These refunds are to be made in some systematic manner as economic conditions permit. As the money is refunded, it will go back into the corpus of the fund and will then be used to help other people. The refunding of this money will be a moral obligation. No interest payments will be required.

In order to better carry out the wishes of Dr. Morrill, funds will be provided to applicants whose homes are in the Southern Mountain District as outlined above and who plan to practice their profession in that area. J.L. Morrill Funds may be granted to young men who are medical school students during any year of study in a recognized school of medicine. Louis Morrill Funds may be granted to young women who are students in nursing (preference being given to graduate study) or in medicine.

A.B. Morrill Funds may be granted to young men, young women and children from the Southern Mountain District to support education of any kind. (Preference will be given for graduate education.)

Application forms for the Morrill Funds may be obtained from the Student Financial Services, Berea College, CPO 2172, Berea, Kentucky, 40404. Applications must be completed and returned to the above address at least three months prior to the term for which funds are requested. An application is made for only one year at a time, but may be renewed for each year of medical or nursing study. A transcript of the previous year's work must accompany any renewal application.

Each application to be considered must be accompanied by a statement from the applicant explaining: (1) his or her need for financial assistance; (2) his or her immediate and future plans, including the name of the educational institution where professional study is being or will be undertaken; (3) the current expectation as to the geographical area where the medical or nursing profession will be practiced.

Application for Morrill Funds

Name ______________________ Place of Birth ______________ Date of Birth __________

Educational Institution of Current Attendance or Place of Employment ______________________

Current Address ______________________________ Phone ______________

Permanent Address ____________________________ Phone ______________

Parent's Name and Address ______________________________________

Give names and addresses of two people who would be likely to know your address at all times and from whom recommendations might be requested.

____

____

GPA at the end of last term ______________ Class Rank at the end of last term ______________

List your present indebtedness, if any ______________________________________

Educational Institution you will attend ______________ Course of Study ______________

Expected Graduation Date ______________ Budget period from __________ to __________

EXPENSES		**INCOME**	
Tuition and Fees	$__________	Savings	$__________
Board	$__________	Earnings	$__________
Room	$__________	Gifts	$__________
Books/Supplies	$__________	Loans	$__________
Miscellaneous:		Other Income:	
__________	$__________	__________	$__________
__________	$__________	__________	$__________
__________	$__________	__________	$__________
TOTAL:	**$**__________		**$**__________

PLEDGE OF INTENT: I desire to prepare myself to serve the people of the Southern Mountain District as a health care professional or in other ways. I will live and work in the region once I conclude my studies and will make arrangements to repay the funding when it becomes materially convenient to do so. I have read the provisions on the other side of this sheet and agree to abide by the stated terms and conditions should my request be granted.

______________________________ ______________

Applicant's Signature Date

For Office Use Only

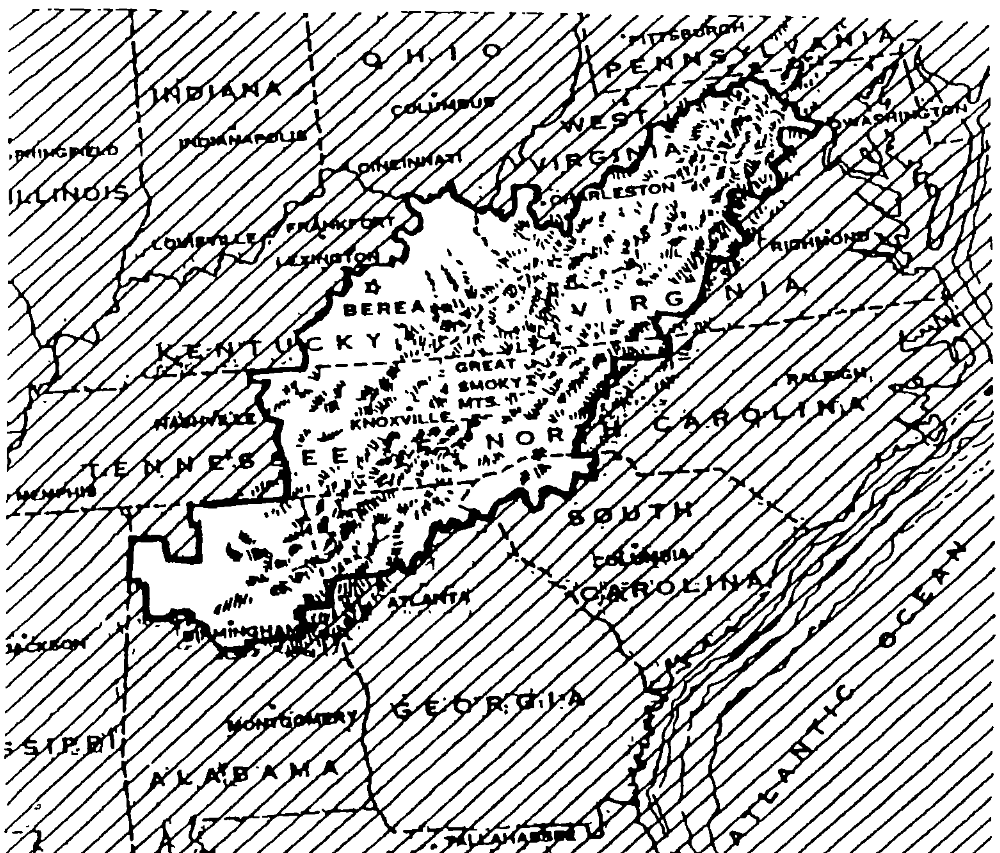
Authorizing Body: ______________ Approved: __________ Denied: __________

Signature: ______________________________ Date: __________

Fund Type: L.S. Morrill $__________ J.L Morrill $__________ A.B. Morrill $__________

/ORRILL AND MICHEL LOANS AND THE TRADITIONAL BEREA TERRITORY

The donors of the Morrill and Michel funds set geographic restrictions referring to an area called the Southern Mountain District and the Berea Territory. At the time these loan programs were planned, the area was somewhat smaller than the region we now count as the Berea Territory; it included only the mountainous counties of eight southern states. Mrs. Michel was especially interested in seeing that adequate medical services were available to the people in this area. Dr. Morrill was interested in promoting health care and other human services, but went a step further to insist that recipients be originally from the area. The map and list indicate what will be regarded as "in territory" for these loan programs.



THE FIELD OF BEREA

Below is a list of counties in the eight southern states which are considered as mountain territory, and from which students are given preference.

ALABAMA
Blount
Calhoun
Cherokee
Clay
Cleburne
Cullman
DeKalb
Etowah
Fayette
Franklin
Jackson
Jefferson
Limestone
Madison
Marion
Marshall
Morgan
St Clair
Shelby
Talladega
Walker
Winston

GEORGIA
Barrow
Catoosa
Chattooga
Cherokee
Dade
Dawson
Fannin
Floyd
Forsyth
Gilmer
Habersham
Lumpkin
Murray
Pickens
Rabun
Towns
Union
Walker
White
Whitefield

KENTUCKY
Adair
Bath
Bell
Boyd
Breathitt
Carter
Casey
Clay
Clinton
Cumberland
Elliott
Estill
Floyd
Garrard
Greenup
Harlan
Jackson
Johnson
Knott
Knox
Laurel
Lawrence
Lee
Leslie
Letcher
Lewis
Lincoln
McCreary
Madison
Magoffin
Martin
Menifee
Morgan
Owsley
Perry
Pike
Powell
Pulaksi
Rockcastle
Rowan
Wayne
Whitley
Wolfe

N CAROLINA
Alexander
Alleghany
Ashe
Avery
Buncombe
Burke
Caldwell
Cherokee
Clay
Graham
Haywood
Henderson
Jackson
McDowell
Macon
Madison
Mitchell
Polk
Rutherford
Stokes
Surry
Swain
Transylvania
Watauga
Wilkes
Yancey

S CAROLINA
Cherokee
Greenville
Oconee
Pickens
Spartanburg

TENNESSEE
Anderson
Bledsoe
Blount
Bradley
Campbell
Carter
Claiborne
Clay
Cocke
Cumberland
DeKalb
Fentress
Grainger
Greene
Grundy
Hamblen
Hamilton
Hancock
Hawkins
Jackson
Jefferson
Johnson
Knox
Loudon
McMinn
Macon
Marion
Meigs
Monroe
Morgan
Overton
Pickett
Polk
Putnam
Rhea
Roane
Scott
Sequatchie
Sevier
Smith
Sullivan
Unicol
Union
Van Buren
Warren
Washington
White

VIRGINIA
Alleghany
Amherst
Augusta
Bath
Bedford
Bland
Botetoult
Buchanan
Carroll
Clarke
Craig
Dickenson
Floyd
Franklin
Frederick
Giles
Grayson
Greene
Highland
Lee
Loudoun
Madison
Montgomery
Nelson
Page
Patrick
Pulaski
Rappahannock
Roanoke
Rockbridge
Rockingham
Russell
Scott
Shenandoah
Smyth
Tazewell
Warren
Washington
Wise
Wythe

W. VIRGINIA
Boone
Fayette
Grant
Greenbrier
Hampshire
Hardy
Jefferson
Lincoln
Logan
McDowell
Mercer
Mineral
Mingo
Monroe
Nicholas
Pendleton
Pocahontas
Putnam
Raleigh
Randolph
Summers
Tucker
Wayne
Webster
Wyoming

the Berea Citizen

Proudly serving the people of Southern Madison County since 1899.

• Public Notice •

PUBLIC NOTICE

The annual returns for the *Louisa S. Morrill Fund*, the *J.L. Morrill Fund*, the *A.B. Morrill Fund* and the *Virginia Educational Fund* are available at the address noted below for public inspection during normal business hours by any person who so requests within 180 days after the publication of this notice of availability.

The Morrill Funds
Lyle D. Roelofs
Office of the President
Berea College
Berea, Kentucky 40404

	A	B	C	D	E	F	G	H	I	J	K
1											
2				2012							
3											
4	**A.B. Morrill Fund**		**Street**	**City**	**State**	**Zip code**	**Award Amt.**	**School**	**Gender**	**Major**	**Check #s**
5	Gonzalez	Edward	209 Rich Drive	Whittier	NC	28789	**$2,800.00**	Frontier	Male	Nursing	316094
6											
7						**Awarded**	**$2,800.00**				
8		**A.B. Morrill Fund Total**	**$4,762.60**								
9											
10	**J.L Morrill Fund**										
11	Abner	Charles	174 Scott Ave Apt 202	Pikeville	KY	41501	**$5,000.00**	Pikeville	Male	Medicine	316092
12	Ball	Patrick	PO Box 494	Pikeville	KY	41501	**$5,000.00**	Pikeville	Male	Medicine	316093
13	Minix	Joshua	137-2 Trivette Dr	Pikeville	KY	41501	**$5,000.00**	Pikeville	Male	Medicine	316091
14											
15						**Awarded**	**$15,000.00**				
16		**J.L. Morrill Fund Total**	**$29,068.82**								
17											
18	**L.S. Morrill Fund**										
19	Burk	Casey	PO Box 1120 1789 Damron Branch	Grayson	KY	41143	**$2,800.00**	Frontier	Female	Nursing	316087
20	Coblentz	Elizabeth	141 Lorraine Ct	Berea	KY	40403	**$2,800.00**	Frontier	Female	Nursing	316088
21	Delaney	Kristin	607 SO Main St	Harlan	KY	40831	**$2,800.00**	Frontier	Female	Nursing	316089
22	Goodall	Susan	8927 Colchester Ridge Rd	Knoxville	TN	37922	**$2,800.00**	Frontier	Female	Nursing	316090
23	Lewis	Samantha	PO Box 912	Wooton	KY	41776	**$2,800.00**	Frontier	Female	Nursing	316084
24	Singh	Ajita	111 Walnut Hill Dr	Richmond	KY	40475	**$2,800.00**	Frontier	Female	Nursing	316085
25	Williams	Annette	349 Smith Lane	Berea	KY	40403	**$2,800.00**	Frontier	Female	Nursing	316086
26											
27						**Awarded**	**$19,600.00**				
28		**L.S. Morrill Fund Total**	**$19,790.50**								
29											
30	**Virginia Fund**										
31	Lynchburg College Canterbury Club		1501 Lakeside Dr	Lynchburg	VA	24501	$2,000.00				
32	The Phoebe Needles Center		732 Turners Creek Road	Callaway	VA	24067	$5,000.00				
33											
34						**Awarded**	**$7,000.00**				
35		**Virginia Fund Total**	**$24,000.00**								