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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2013

Open to Public
Inspection

A For the 2013 calendar year, or tax year beginning OCT 1, 2013 and ending SEP 30, 2014

B Check if applicable

Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization
HIGHLANDER RESEARCH & EDUCATION CENTER, INC.

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) 1959 HIGHLANDER WAY
Room/suite

City or town, state or province, country, and ZIP or foreign postal code
NEW MARKET, TN 37820

F Name and address of principal officer: PAM MCMICHAEL
SAME AS C ABOVE

I Tax-exempt status: 501(c)(3) 501(c)(4) () (insert no.) 4947(a)(1) or 527

J Website: ► WWW.HIGHLANDERCENTER.ORG

K Form of organization: Corporation Trust Association Other ► L Year of formation: 1961 M State of legal domicile: TN

D Employer identification number

62-0646373

E Telephone number

865-933-3443

G Gross receipts \$ 1,659,659.

H(a) Is this a group return for subordinates? Yes NoH(b) Are all subordinates included? Yes No
If "No," attach a list. (see instructions)

H(c) Group exemption number ►

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: HIGHLANDER SERVES AS A CATALYST FOR GRASSROOTS ORGANIZING AND MOVEMENT BUILDING IN APPALACHIA AND		
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	14
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	14
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	26
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
Revenue	b Net unrelated business taxable income from Form 990-T, line 34	7b	0.
	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	1,266,738.	1,286,674.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	65,040.	296,418.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,352.	1,918.
Expenses	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	40,344.	56,279.
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	1,374,474.	1,641,289.
	14 Benefits paid to or for members (Part IX, column (A), line 4) <input checked="" type="checkbox"/> 2015	27,767.	5,800.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e) <input checked="" type="checkbox"/> 2015	817,805.	808,473.
	b Total fundraising expenses (Part IX, column (D), line 25) <input checked="" type="checkbox"/> 2015	21,269.	2,703.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	614,423.	643,410.
Net Assets or Fund Balances	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1,481,264.	1,460,386.
	19 Revenue less expenses. Subtract line 18 from line 12	<106,790.>	180,903.
		Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)		3,052,454.	3,246,525.
	21 Total liabilities (Part X, line 26)	146,016.	159,184.
	22 Net assets or fund balances Subtract line 21 from line 20	2,906,438.	3,087,341.

Part II Signature Block

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

Sign
Here

► *Pamela J. McMichael*
Signature of officer

► *Aug 17, 2015*
Date

► **PAM MCMICHAEL, DIRECTOR**
Type or print name and title

Paid Preparer	Print/Type preparer's name SEAN W. BREWER	Preparer's signature <i>Sean W. Brewer, CPA</i>	Date 8/14/15	Check <input type="checkbox"/> if self-employed	PTIN P00745370
Preparer Use Only	Firm's name ► BIBLE HARRIS SMITH, PC		Firm's EIN ► 62-1333840		
Use Only	Firm's address ► 507 W. CLINCH AVE. KNOXVILLE, TN 37902-2104		Phone no. (865) 546-2300		

May the IRS discuss this return with the preparer shown above? (see instructions)

Yes No

332001 10-29-13 LHA For Paperwork Reduction Act Notice, see the separate instructions.

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SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

G 17

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

X

1 Briefly describe the organization's mission:

HIGHLANDER SERVES AS A CATALYST FOR GRASSROOTS ORGANIZING AND MOVEMENT BUILDING IN APPALACHIA AND THE SOUTH. WE WORK WITH PEOPLE FIGHTING FOR JUSTICE, EQUALITY AND SUSTAINABILITY, SUPPORTING THEIR EFFORTS TO TAKE COLLECTIVE ACTION TO SHAPE THEIR OWN DESTINY. THROUGH POPULAR

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

Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule Q.

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

4a (Code _____) (Expenses \$ 657,796. including grants of \$ 5,800.) (Revenue \$ 212,752.)
EDUCATION

4b (Code _____) (Expenses \$ 210,695. including grants of \$ _____) (Revenue \$ 137,418.)

4c (Code _____) (Expenses \$ **163,646**. including grants of \$ _____) (Revenue \$ _____)
RESOURCE CENTER AND OTHER FACILITIES

4d Other program services (Describe in Schedule O.)

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

4e Total program service expenses ► 1,032,137.

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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 <input checked="" type="checkbox"/>	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2 <input checked="" type="checkbox"/>	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3 <input checked="" type="checkbox"/>	
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4 <input checked="" type="checkbox"/>	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5 <input checked="" type="checkbox"/>	
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6 <input checked="" type="checkbox"/>	
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7 <input checked="" type="checkbox"/>	
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8 <input checked="" type="checkbox"/>	
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9 <input checked="" type="checkbox"/>	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10 <input checked="" type="checkbox"/>	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. <ul style="list-style-type: none"> a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11a <input checked="" type="checkbox"/>	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a <input checked="" type="checkbox"/>	
12b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b <input checked="" type="checkbox"/>	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13 <input checked="" type="checkbox"/>	
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a <input checked="" type="checkbox"/>	
14b b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b <input checked="" type="checkbox"/>	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15 <input checked="" type="checkbox"/>	
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16 <input checked="" type="checkbox"/>	
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17 <input checked="" type="checkbox"/>	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18 <input checked="" type="checkbox"/>	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19 <input checked="" type="checkbox"/>	
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a <input checked="" type="checkbox"/>	
20b b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b <input checked="" type="checkbox"/>	

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Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25a	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a	X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	38	X

Note. All Form 990 filers are required to complete Schedule O

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Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter 0- if not applicable	1a	20
b Enter the number of Forms W-2G included in line 1a. Enter 0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	<input checked="" type="checkbox"/>
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	26
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</i>		<input checked="" type="checkbox"/>
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	<input checked="" type="checkbox"/>
b If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O	3b	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	<input checked="" type="checkbox"/>
b If "Yes," enter the name of the foreign country: ► See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	<input checked="" type="checkbox"/>
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	<input checked="" type="checkbox"/>
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	<input checked="" type="checkbox"/>
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7 Organizations that may receive deductible contributions under section 170(c).	7a	<input checked="" type="checkbox"/>
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7b	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	<input checked="" type="checkbox"/>
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
d If "Yes," indicate the number of Forms 8282 filed during the year		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9 Sponsoring organizations maintaining donor advised funds.	9a	
a Did the organization make any taxable distributions under section 4966?	9b	
b Did the organization make a distribution to a donor, donor advisor, or related person?		
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12	10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders	11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.	13a	
a Is the organization licensed to issue qualified health plans in more than one state?		
<i>Note. See the instructions for additional information the organization must report on Schedule O.</i>		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c Enter the amount of reserves on hand	13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a	<input checked="" type="checkbox"/>
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

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Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	14
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
1b	Enter the number of voting members included in line 1a, above, who are independent	1b	14
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6	Did the organization have members or stockholders?	6	X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?		
b	Each committee with authority to act on behalf of the governing body?		
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	X

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► **TN**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

Own website Another's website Upon request Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► **THE ORGANIZATION - 865-933-3443**
1959 HIGHLANDER WAY, NEW MARKET, TN 37820

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

Check if Schedule O contains a response or note to any line in this Part VII

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee			
(1) HENRY ALLEN <u>BOARD MEMBER</u>	2.00	X					0.	0.	0.
(2) LESLIE ETIENNE <u>BOARD CO-SECRETARY</u>	2.00	X	X				0.	0.	0.
(3) ASH-LEE WOODARD HENDERSON <u>BOARD MEMBER</u>	2.00	X					0.	0.	0.
(4) KARA KEELING <u>BOARD MEMBER</u>	2.00	X					0.	0.	0.
(5) DIANA MARIE LEE <u>BOARD CHAIR</u>	2.00	X	X				0.	0.	0.
(6) LESLIE LOWE <u>BOARD CO-SECRETARY</u>	2.00	X	X				0.	0.	0.
(7) YESHIMABEIT MILNER <u>BOARD MEMBER</u>	2.00	X					0.	0.	0.
(8) MARGO OKAZAWA-REY <u>BOARD MEMBER</u>	2.00	X					0.	0.	0.
(9) ROY SILVER <u>BOARD MEMBER</u>	2.00	X					0.	0.	0.
(10) ERICA SMILEY <u>BOARD MEMBER</u>	2.00	X					0.	0.	0.
(11) ALLYN STEELE <u>BOARD VICE-CHAIR</u>	2.00	X	X				0.	0.	0.
(12) ELIZABETH VEAZENY <u>BOARD TREASURER</u>	2.00	X	X				0.	0.	0.
(13) MAGGIE WEST <u>BOARD MEMBER</u>	2.00	X					0.	0.	0.
(14) ED WHITFIELD <u>BOARD MEMBER</u>	2.00	X					0.	0.	0.
(15) PAM MCMICHAEL <u>EXECUTIVE DIRECTOR</u>	40.00	X	X				45,612.	0.	0.
(16) HOLLIS WATKINS, SR. <u>BOARD MEMBER EMERITUS</u>	2.00	X					0.	0.	0.

**HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.**

Form 990 (2013)

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Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a			
	b Membership dues	1b			
	c Fundraising events	1c 27,806.			
	d Related organizations	1d 180,239.			
	e Government grants (contributions)	1e			
	f All other contributions, gifts, grants, and similar amounts not included above	1f 1,078,629.			
	g Noncash contributions included in lines 1a-1f \$				
	h Total. Add lines 1a-1f	► 1,286,674.			
Program Service Revenue	2 a APP FELLOWS HOST COMMU	Business Code 611710	159,000.	159,000.	
	b WORKSHOPS	721000	137,418.	137,418.	
	c				
	d				
	e				
	f All other program service revenue				
	g Total. Add lines 2a-2f	► 296,418.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		1,918.		1,918.
	4 Income from investment of tax-exempt bond proceeds				
	5 Royalties		3,030.		3,030.
	6 a Gross rents	(i) Real 6,038.			
	b Less: rental expenses	(ii) Personal 0.			
	c Rental income or (loss)	6,038.			
	d Net rental income or (loss)		► 6,038.		6,038.
	7 a Gross amount from sales of assets other than inventory	(i) Securities			
	b Less: cost or other basis and sales expenses	(ii) Other			
	c Gain or (loss)				
	d Net gain or (loss)		►		
	8 a Gross income from fundraising events (not including \$ 27,806. of contributions reported on line 1c). See Part IV, line 18				
	b Less: direct expenses	a 0. b 6,541.			
	c Net income or (loss) from fundraising events		► <6,541.►		<6,541.►
	9 a Gross income from gaming activities. See Part IV, line 19	a			
	b Less: direct expenses	b			
	c Net income or (loss) from gaming activities		►		
	10 a Gross sales of inventory, less returns and allowances	a 14,545.			
	b Less: cost of goods sold	b 11,829.			
	c Net income or (loss) from sales of inventory		► 2,716.	2,716.	
Miscellaneous Revenue	11 a HONORARIUMS AND FEES	Business Code 611710	33,554.	33,554.	
	b REIMBURSEMENTS	611700	17,482.	17,482.	
	c				
	d All other revenue				
	e Total. Add lines 11a-11d	► 51,036.			
	12 Total revenue. See instructions.	► 1,641,289.	350,170.	0.	4,445.

**HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.**

Form 990 (2013)

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Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	2,735.	2,735.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	3,065.	3,065.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	49,695.	16,067.	9,941.	23,687.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	573,649.	406,048.	88,008.	79,593.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	29,108.	16,405.	3,608.	9,095.
9 Other employee benefits	98,660.	60,149.	16,297.	22,214.
10 Payroll taxes	57,361.	40,185.	3,185.	13,991.
11 Fees for services (non-employees):				
a Management	5,225.	1,226.	1,434.	2,565.
b Legal	8,500.	5,774.	1,015.	1,711.
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17	2,703.			2,703.
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	167,763.	152,319.	214.	15,230.
12 Advertising and promotion	900.	100.		800.
13 Office expenses	98,337.	61,505.	11,357.	25,475.
14 Information technology				
15 Royalties				
16 Occupancy	81,872.	54,200.	6,565.	21,107.
17 Travel	65,984.	46,170.	5,972.	13,842.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	6,280.	3,889.		2,391.
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	19,727.	19,727.		
23 Insurance	53,524.	35,421.	6,744.	11,359.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a WORKSHOP COSTS	106,649.	97,787.	134.	8,728.
b BAD DEBTS	19,570.	5,290.		14,280.
c OTHER	9,079.	4,075.	1,523.	3,481.
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	1,460,386.	1,032,137.	155,997.	272,252.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ► if following SOP 98-2 (ASC 958-720)

**HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.**

Form 990 (2013)

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Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	14,970.	1	14,970.
	2 Savings and temporary cash investments	700,880.	2	830,567.
	3 Pledges and grants receivable, net	498,525.	3	480,065.
	4 Accounts receivable, net	6,412.	4	112,096.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	10,835.	8	6,634.
	9 Prepaid expenses and deferred charges	11,416.	9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 2,465,581.		
	b Less: accumulated depreciation	10b 663,738.	10c 1,809,066.	1,801,843.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets	350.	14	350.
Liabilities	15 Other assets. See Part IV, line 11		15	
	16 Total assets. Add lines 1 through 15 (must equal line 34)	3,052,454.	16	3,246,525.
	17 Accounts payable and accrued expenses	145,724.	17	159,184.
	18 Grants payable		18	
	19 Deferred revenue		19	
Liabilities	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	292.	23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	146,016.	26	159,184.
	Organizations that follow SFAS 117 (ASC 958), check here ► <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	1,254,681.	27	1,835,554.
	28 Temporarily restricted net assets	1,651,757.	28	1,251,787.
	29 Permanently restricted net assets		29	
Net Assets or Fund Balances	Organizations that do not follow SFAS 117 (ASC 958), check here ► <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	2,906,438.	33	3,087,341.
	34 Total liabilities and net assets/fund balances	3,052,454.	34	3,246,525.

Form 990 (2013)

**HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.**

Form 990 (2013)

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Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1,641,289.
2	Total expenses (must equal Part IX, column (A), line 25)	1,460,386.
3	Revenue less expenses. Subtract line 2 from line 1	180,903.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	2,906,438.
5	Net unrealized gains (losses) on investments	
6	Donated services and use of facilities	
7	Investment expenses	
8	Prior period adjustments	
9	Other changes in net assets or fund balances (explain in Schedule O)	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	3,087,341.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

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

Form 990 (2013)

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2013

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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

4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ.

► **Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

Name of the organization **HIGHLANDER RESEARCH & EDUCATION CENTER, INC.** Employer identification number **62-0646373**

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

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

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

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

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

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

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

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

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

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

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

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

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

a Type I b Type II c Type III - Functionally integrated d Type III - Non-functionally integrated

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

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

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

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

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

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

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

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

Total

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

Schedule A (Form 990 or 990-EZ) 2013

332021
09-25-13

HIGHLANDER RESEARCH & EDUCATION CENTER,

Schedule A (Form 990 or 990-EZ) 2013 **INC.**

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Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						► <input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
b 33 1/3% support test - 2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
17a 10% -facts-and-circumstances test - 2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
b 10% -facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	► <input type="checkbox"/>	

Schedule A (Form 990 or 990-EZ) 2013

HIGHLANDER RESEARCH & EDUCATION CENTER, INC.

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Schedule A (Form 990 or 990-EZ) 2013

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") ..	1,549,604.	681,914.	2,057,699.	1,266,738.	1,258,868.	6,814,823.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	105,124.	85,983.	95,005.	111,414.	361,999.	759,525.
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	1,654,728.	767,897.	2,152,704.	1,378,152.	1,620,867.	7,574,348.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0.
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						0.
c Add lines 7a and 7b						0.
8 Public support (Subtract line 7c from line 6)						7,574,348.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6	1,654,728.	767,897.	2,152,704.	1,378,152.	1,620,867.	7,574,348.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	6,614.	13,139.	20,817.	7,933.	10,986.	59,489.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	6,614.	13,139.	20,817.	7,933.	10,986.	59,489.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12)	1,661,342.	781,036.	2,173,521.	1,386,085.	1,631,853.	7,633,837.

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ►

Section C. Computation of Public Support Percentage

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	99.22	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	99.12	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	.78	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	.88	%

19a 33 1/3% support tests - 2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ►

b 33 1/3% support tests - 2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ►

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

HIGHLANDER RESEARCH & EDUCATION CENTER,

Schedule A (Form 990 or 990-EZ) 2013 INC.

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Part IV Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12.

Also complete this part for any additional information. (See instructions).

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**

OMB No. 1545-0047

2013Open to Public
Inspection► Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

► Attach to Form 990.

► Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.Name of the organization **HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.** Employer identification number **62-0646373****Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the

organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

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

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

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

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

	Held at the End of the Tax Year
2a	
2b	
2c	
2d	

a Total number of conservation easements

b Total acreage restricted by conservation easements

c Number of conservation easements on a certified historic structure included in (a)

d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

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

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

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

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

1b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

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

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

**HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.**

Schedule D (Form 990) 2013

62-0646373 Page 2

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

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

a Public exhibition
 b Scholarly research
 c Preservation for future generations

d Loan or exchange programs
 e Other _____

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection?

Yes No

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

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

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

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21?

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	2,008,368.	1,952,189.	2,079,087.	2,130,445.	2,160,709.
b Contributions					
c Net investment earnings, gains, and losses	209,556.	273,092.	236,444.	<37,362.	117,757.
d Grants or scholarships					
e Other expenditures for facilities and programs	91,222.	198,482.	345,004.		129,201.
f Administrative expenses	19,057.	18,431.	18,338.	13,996.	18,820.
g End of year balance	2,107,645.	2,008,368.	1,952,189.	2,079,087.	2,130,445.

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

a Board designated or quasi-endowment ► 66.00 %
 b Permanent endowment ► 66.00 %
 c Temporarily restricted endowment ► 34.00 %

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

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

(i) unrelated organizations

(ii) related organizations

Yes	No
3a(i)	X
3a(ii)	X
3b	X

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

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

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		959,500.		959,500.
b Buildings		1,331,688.	499,258.	832,430.
c Leasehold improvements				
d Equipment		174,393.	164,480.	9,913.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				1,801,843.

Schedule D (Form 990) 2013

**HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.**

Schedule D (Form 990) 2013

62-0646373 Page 3

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

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

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

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

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

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

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

Schedule D (Form 990) 2013

HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.

Schedule D (Form 990) 2013

62-0646373 Page 4

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	1,769,751.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	308,701.
e	Add lines 2a through 2d	2e	308,701.
3	Subtract line 2e from line 1	3	1,461,050.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	180,239.
c	Add lines 4a and 4b	4c	180,239.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	1,641,289.

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	1,517,155.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	56,769.
e	Add lines 2a through 2d	2e	56,769.
3	Subtract line 2e from line 1	3	1,460,386.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	1,460,386.

Part XIII Supplemental Information.

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

PART V, LINE 4:

EXPLANATION: ENDOWMENTS ARE HELD BY THE FUND FOR THE HIGHLANDER RESEARCH AND EDUCATION CENTER, INC. EARNINGS ARE AVAILABLE TO SUPPORT THE ORGANIZATION'S PROGRAMS.

PART X, LINE 2:

EXPLANATION: INCOME TAX STATUS HIGHLANDER RESEARCH AND EDUCATION CENTER, INC. AND THE FUND FOR THE HIGHLANDER RESEARCH AND EDUCATION CENTER, INC ARE EXEMPT FROM FEDERAL AND STATE INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. ACCORDINGLY, NO PROVISION FOR INCOME TAXES IS MADE IN THE ACCOMPANYING FINANCIAL STATEMENTS AS THE ORGANIZATION HAD NO NET UNRELATED BUSINESS INCOME. THE ORGANIZATION HAS

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Schedule D (Form 990) 2013

Part XIII Supplemental Information (continued)

ADOPTED THE AUTHORITATIVE GUIDANCE FOR THE UNCERTAINTY IN INCOME TAXES
RECOGNIZED IN AN ENTITY'S FINANCIAL STATEMENTS AND PRESCRIBE A THRESHOLD
OF "MORE LIKELY THAN NOT" FOR RECOGNITION AND DERECOGNITION OF TAX
POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. THE ORGANIZATION
PERFORMED AN EVALUATION OF UNCERTAIN TAX POSITIONS FOR THE YEAR ENDED
SEPTEMBER 30, 2014, AND DETERMINED THAT THERE WERE NO MATTERS THAT WOULD
REQUIRE RECOGNITION IN THE FINANCIAL STATEMENTS OR WHICH MAY HAVE ANY
AFFECT ON ITS TAX-EXEMPT STATUS. AS OF SEPTEMBER 30, 2014, THE STATUTE OF
LIMITATIONS FOR TAX YEARS 2009 THROUGH 2011 REMAINS OPEN WITH THE U.S.
FEDERAL JURISDICTION OR THE VARIOUS STATES AND LOCAL JURISDICTIONS IN
WHICH THE ORGANIZATION FILES TAX RETURNS. IT IS THE ORGANIZATION'S POLICY
TO RECOGNIZE INTEREST AND/OR PENALTIES RELATED TO UNCERTAIN TAX IF ANY, IN
INCOME TAX EXPENSE. AS OF SEPTEMBER 30, 2014, THE ORGANIZATION HAD NO
ACCRUALS FOR INTEREST AND/OR PENALTIES.

PART XI, LINE 2D - OTHER ADJUSTMENTS:

REVENUE OF CONSOLIDATED ORGANIZATION 308,701.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

GRANTS FROM CONSOLIDATED ORGANIZATION 180,239.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

EXPENSES OF CONSOLIDATED ORGANIZATION 56,769.

SCHEDULE G
(Form 990 or 990-EZ)

Supplemental Information Regarding Fundraising or Gaming Activities

OMB No 1545-0047

2013

Open To Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

► Attach to Form 990 or Form 990-EZ.

► **Information about Schedule G (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form_990.**

Name of the organization **HIGHLANDER RESEARCH & EDUCATION CENTER, INC.** Employer identification number **62-0646373**

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

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

a <input type="checkbox"/> Mail solicitations	e <input type="checkbox"/> Solicitation of non-government grants
b <input type="checkbox"/> Internet and email solicitations	f <input type="checkbox"/> Solicitation of government grants
c <input type="checkbox"/> Phone solicitations	g <input type="checkbox"/> Special fundraising events
d <input type="checkbox"/> In-person solicitations	

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

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

Total

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

HIGHLANDER RESEARCH & EDUCATION CENTER,

Schedule G (Form 990 or 990-EZ) 2013 **INC.**

62-0646373 Page 2

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

Revenue	Various (event type)	(a) Event #1	(b) Event #2	(c) Other events NONE	(d) Total events (add col. (a) through col. (c))
1 Gross receipts		27,806.			27,806.
2 Less: Contributions		27,806.			27,806.
3 Gross income (line 1 minus line 2)					
4 Cash prizes					
5 Noncash prizes					
6 Rent/facility costs					
7 Food and beverages					
8 Entertainment					
9 Other direct expenses		6,541.			6,541.
10 Direct expense summary. Add lines 4 through 9 in column (d)					► 6,541.
11 Net income summary. Subtract line 10 from line 3, column (d)					► <6,541. >

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

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

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

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

b If "No," explain: _____

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

b If "Yes," explain: _____

HIGHLANDER RESEARCH & EDUCATION CENTER,

Schedule G (Form 990 or 990-EZ) 2013 INC.

62-0646373 Page 3

11 Does the organization operate gaming activities with nonmembers? Yes No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No

13 Indicate the percentage of gaming activity operated in:

a The organization's facility	13a	%
b An outside facility	13b	%

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

Name ► _____

Address ► _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No

b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____.

c If "Yes," enter name and address of the third party:

Name ► _____

Address ► _____

16 Gaming manager information.

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____
_____ Director/officer Employee Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

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

HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.

Schedule I (Form 990) (2013)

Part III Grants and Other

(a) Terms of current accounts

62-0646373 Page 2

1

Part IV Supplementary Information Provide the information required in Part III

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

► Attach to Form 990 or 990-EZ.

► Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public
Inspection

Name of the organization

HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.

Employer identification number
62-0646373

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

THE SOUTH. WE WORK WITH PEOPLE FIGHTING FOR JUSTICE, EQUALITY AND SUSTAINABILITY, SUPPORTING THEIR EFFORTS TO TAKE COLLECTIVE ACTION TO SHAPE THEIR OWN DESTINY. THROUGH POPULAR EDUCATION, PARTICIPATORY RESEARCH, AND CULTURAL WORK, WE HELP CREATE SPACES -- AT HIGHLANDER AND IN LOCAL COMMUNITIES -- WHERE PEOPLE GAIN KNOWLEDGE, HOPE AND COURAGE, EXPANDING THEIR IDEAS OF WHAT IS POSSIBLE. WE DEVELOP LEADERSHIP AND HELP CREATE AND SUPPORT STRONG, DEMOCRATIC ORGANIZATIONS THAT WORK FOR JUSTICE, EQUALITY AND SUSTAINABILITY IN THEIR OWN COMMUNITIES AND THAT JOIN WITH OTHERS TO BUILD BROAD MOVEMENTS FOR SOCIAL, ECONOMIC AND RESTORATIVE ENVIRONMENTAL CHANGE.

WE ACCOMPLISH OUR PURPOSES IN A VARIETY OF WAYS.

RESIDENTIAL WORKSHOPS AND EDUCATIONAL TRAINING SESSIONS AT OUR CENTER IN NEW MARKET, TENNESSEE, BRING TOGETHER REPRESENTATIVES OF COMMUNITIES FACING SPECIFIC STRUGGLES THROUGHOUT THE REGION.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

EDUCATION, PARTICIPATORY RESEARCH, AND CULTURAL WORK, WE HELP CREATE SPACES -- AT HIGHLANDER AND IN LOCAL COMMUNITIES -- WHERE PEOPLE GAIN KNOWLEDGE, HOPE AND COURAGE, EXPANDING THEIR IDEAS OF WHAT IS POSSIBLE. WE DEVELOP LEADERSHIP AND HELP CREATE AND SUPPORT STRONG, DEMOCRATIC ORGANIZATIONS THAT WORK FOR JUSTICE, EQUALITY AND SUSTAINABILITY IN THEIR OWN COMMUNITIES AND THAT JOIN WITH OTHERS TO BUILD BROAD MOVEMENTS FOR SOCIAL, ECONOMIC AND RESTORATIVE ENVIRONMENTAL CHANGE.

Name of the organization	HIGHLANDER RESEARCH & EDUCATION CENTER, INC.	Employer identification number 62-0646373
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WE ACCOMPLISH OUR PURPOSES IN A VARIETY OF WAYS.

RESIDENTIAL WORKSHOPS AND EDUCATIONAL TRAINING SESSIONS AT OUR CENTER
IN NEW MARKET, TENNESSEE, BRING TOGETHER REPRESENTATIVES OF COMMUNITIES
FACING SPECIFIC STRUGGLES THROUGHOUT THE REGION.

FORM 990, PART VI, SECTION B, LINE 11:

EXPLANATION: A DRAFT OF FORM 990 IS PROVIDED FOR REVIEW BY THE FINANCE
COMMITTEE

FORM 990, PART VI, SECTION B, LINE 12C:

EXPLANATION: EACH YEAR ALL EMPLOYEES REQUIRED TO SIGN STATEMENT.

FORM 990, PART VI, SECTION B, LINE 15:

EXPLANATION: DIRECTOR SALARY IS RECOMMENDED BY THE EXECUTIVE COMMITTEE,
THEN BY THE BOARD AS A WHOLE AS IS THE BUDGET FOR OTHER EMPLOYEES. THE
DIRECTOR THEN WORKS WITHIN THIS APPROVED BUDGET.

FORM 990, PART VI, SECTION C, LINE 19:

EXPLANATION: DOCUMENTS ARE MADE AVAILABLE UPON REQUEST.

FORM 990, PART IX, LINE 11G, OTHER FEES:

ARCHITECTURE:

PROGRAM SERVICE EXPENSES 0.

MANAGEMENT AND GENERAL EXPENSES 0.

FUNDRAISING EXPENSES 15,200.

TOTAL EXPENSES 15,200.

332212
09-04-13

Schedule O (Form 990 or 990-EZ) (2013)

Name of the organization	HIGHLANDER RESEARCH & EDUCATION CENTER, INC.
--------------------------	---

Employer identification number

62-0646373

MUSICIANS/PREFORMERS:

<u>PROGRAM SERVICE EXPENSES</u>	450.
<u>MANAGEMENT AND GENERAL EXPENSES</u>	0.
<u>FUNDRAISING EXPENSES</u>	0.
<u>TOTAL EXPENSES</u>	450.

OTHER:

<u>PROGRAM SERVICE EXPENSES</u>	48,593.
<u>MANAGEMENT AND GENERAL EXPENSES</u>	214.
<u>FUNDRAISING EXPENSES</u>	30.
<u>TOTAL EXPENSES</u>	48,837.

APP FELLOWS:

<u>PROGRAM SERVICE EXPENSES</u>	103,276.
<u>MANAGEMENT AND GENERAL EXPENSES</u>	0.
<u>FUNDRAISING EXPENSES</u>	0.
<u>TOTAL EXPENSES</u>	103,276.
<u>TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A</u>	167,763.

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

e, see the Instructions for Form 990.
SEE PART VII FOR CONTINUATIONS 35

Schedule R (Form 990) 2013

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

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

HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.

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

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	X
b	Gift, grant, or capital contribution to related organization(s)	1b	X
c	Gift, grant, or capital contribution from related organization(s)	1c	X
d	Loans or loan guarantees to or for related organization(s)	1d	X
e	Loans or loan guarantees by related organization(s)	1e	X
f	Dividends from related organization(s)	1f	X
g	Sale of assets to related organization(s)	1g	X
h	Purchase of assets from related organization(s)	1h	X
i	Exchange of assets with related organization(s)	1i	X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	X
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	X
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	X
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	X
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X
o	Sharing of paid employees with related organization(s)	1o	X
p	Reimbursement paid to related organization(s) for expenses	1p	X
q	Reimbursement paid by related organization(s) for expenses	1q	X
r	Other transfer of cash or property to related organization(s)	1r	X
s	Other transfer of cash or property from related organization(s)	1s	X

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

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
THE FUND FOR THE HIGHLANDER RESEARCH & EDUCATION CENTER, INC.	(1) EDUCATION CENTER, INC.	C	180,239. CASH	
(2)				
(3)				
(4)				
(5)				
(6)				

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

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

Schedule R (Form 990) 2013

HIGHLANDER RESEARCH & EDUCATION CENTER,
INC.

Schedule R (Form 990) 2013

62-0646373 Page 5

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions).

PART II, IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS:

NAME OF RELATED ORGANIZATION:

THE FUND FOR THE HIGHLANDER RESEARCH AND EDUCATION CENTER,
INC.

DIRECT CONTROLLING ENTITY: HIGHLANDER RESEARCH AND EDUCATION CENTER, INC.

Application for Extension of Time To File an
Exempt Organization Return► File a separate application for each return.
► Information about Form 8868 and its instructions is at www.irs.gov/form8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box ►
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for *Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ►

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions.		Employer identification number (EIN) or
	<u>Highlander Research & Education Center, Inc.</u>		62-0646373
	Number, street, and room or suite no. If a P.O. box, see instructions		Social security number (SSN)
	<u>1959 Highland Way</u>		
City, town or post office, state, and ZIP code For a foreign address, see instructions			
<u>New Market, TN 37820</u>			

Enter the Return code for the return that this application is for (file a separate application for each return) 0

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► Company Office (Pamela J. McMichael)

Telephone No. ► 865-933-3443

FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until May 15, 2015, to file the exempt organization return for the organization named above. The extension is for the organization's return for.

► calendar year 20 ____ or

► tax year beginning October 1, 20 13, and ending September 30, 20 14

2 If the tax year entered in line 1 is for less than 12 months, check reason. Initial return Final return
 Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a \$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b \$
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c \$ n/a

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form 8868 (Rev 1-2014)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box. ►

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
	Highlander Research & Education Center, Inc.	62-0646373
	Number, street, and room or suite no. If a P.O. box, see instructions 1959 Highland Way	Social security number (SSN)
City, town or post office, state, and ZIP code. For a foreign address, see instructions. New Market, TN 37820		

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ► **Company Office (Pam McMichael)** . Telephone No. ► **865-933-3443** . Fax No. ►
- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until **August 17, 2015**.
- 5 For calendar year , or other tax year beginning **October 1, 2013**, and ending **September 30, 2014**.
- 6 If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period
- 7 State in detail why you need the extension **Time requested to gather information to complete an accurate return.**

8a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	8a \$
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b \$
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	8c \$ n/a

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ►

Sam N. Bran, cpa

Title ►

Date ►

5/13/15

Form 8868 (Rev. 1-2014)