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Form **990-PF****Return of Private Foundation**

OMB No 1545-0052

2016Department of the Treasury
Internal Revenue Service

or Section 4947(a)(1) Trust Treated as Private Foundation

Do not enter social security numbers on this form as it may be made public.

Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

Open to Public Inspection

For calendar year 2016 or tax year beginning

07/01, 2016, and ending

06/30, 2017

Name of foundation

THE MOREHEAD-CAIN FOUNDATION

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

Room/suite

POST OFFICE BOX 690

City or town, state or province, country, and ZIP or foreign postal code

CHAPEL HILL, NC 27514

A Employer identification number

56-0599225

B Telephone number (see instructions)

(919) 962-1201

C If exemption application is pending, check here ☐D 1. Foreign organizations, check here ☐2. Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

G Check all that apply:

☐ Initial return☐ Final return☐ Address change☐ Initial return of a former public charity☐ Amended return☐ Name change

H Check type of organization:

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundation

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

231,219,126.

J Accounting method:

☐ Cash☒ Accrual☐ Other (specify)

(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

1	Contributions, gifts, grants, etc., received (attach schedule)	1,801,866.	ATCH 1		
2	Check <input type="checkbox"/> If the foundation is not required to attach Sch. B.				
3	Interest on savings and temporary cash investments.				
4	Dividends and interest from securities	2,685,366.	2,685,366.		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	8,910,198.			
b	Gross sales price for all assets on line 6a	13,510,309.			
7	Capital gain net income (from Part IV, line 2)		8,910,198.		
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) ATCH 2	-316,495.	-316,495.		
12	Total. Add lines 1 through 11	13,080,935.	11,279,069.		
13	Compensation of officers, directors, trustees, etc.	774,716.	228,228.		529,264.
14	Other employee salaries and wages				
15	Pension plans, employee benefits	288,800.	27,085.		261,715.
16a	Legal fees (attach schedule)	44,878.	8,976.		39,196.
b	Accounting fees (attach schedule)	30,441.	18,265.		21,558.
c	Other professional fees (attach schedule)	2,738,197.	2,730,972.		8,100.
17	Interest				
18	Taxes (attach schedule) (see instructions) [3]	572,613.	14,477.		89,995.
19	Depreciation (attach schedule) and depletion	26,956.	2,696.		
20	Occupancy	103,618.	10,362.		93,483.
21	Travel, conferences, and meetings	114,551.	10,382.		109,667.
22	Printing and publications	52,829.	440.		64,575.
23	Other expenses (attach schedule) ATCH 4	103,646.	13,129.		93,293.
24	Total operating and administrative expenses. Add lines 13 through 23.	4,851,245.	3,065,012.		1,310,846.
25	Contributions, gifts, grants paid	8,083,523.			8,044,607.
26	Total expenses and disbursements. Add lines 24 and 25	12,934,768.	3,065,012.		9,355,453.
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	146,167.			
b	Net investment income (if negative, enter -0-)		8,214,057.		
c	Adjusted net income (if negative, enter -0-)				

JSA For Paperwork Reduction Act Notice, see instructions.

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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		7,347,409.	8,056,402.	8,056,402.
	2	Savings and temporary cash investments				
	3	Accounts receivable ▶				
		Less: allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (attach schedule) ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule) ATCH 5	193,479,650.	192,671,143.	222,110,133.	
	c	Investments - corporate bonds (attach schedule)				
	Liabilities	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	411,416.			
		Less: accumulated depreciation (attach schedule) ▶	143,771.	294,601.	267,645.	267,645.
15		Other assets (describe ▶ ATCH 6)	752,083.	784,946.	784,946.	
16		Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	201,873,743.	201,780,136.	231,219,126.	
17		Accounts payable and accrued expenses	629,759.	726,731.		
18		Grants payable				
Net Assets or Fund Balances	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 ▶ ATCH 7)	614,036.	277,290.		
	23	Total liabilities (add lines 17 through 22)	1,243,795.	1,004,021.		
		Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted				
	25	Temporarily restricted	200,629,948.	200,776,115.		
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> 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)	200,629,948.	200,776,115.			
31	Total liabilities and net assets/fund balances (see instructions)	201,873,743.	201,780,136.			

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	200,629,948.
2	Enter amount from Part I, line 27a	2	146,167.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	200,776,115.
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	200,776,115.

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)

1 a SEE PART IV SCHEDULE

b

c

d

e

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	8,910,198.
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	0.

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))
2015	8,727,737.	214,584,011.	0.040673
2014	8,210,802.	215,898,429.	0.038031
2013	8,875,615.	198,583,624.	0.044695
2012	8,642,381.	182,736,089.	0.047294
2011	10,026,148.	178,912,292.	0.056039

2 Total of line 1, column (d)	2	0.226732
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	0.045346
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	219,409,155.
5 Multiply line 4 by line 3.	5	9,949,328.
6 Enter 1% of net investment income (1% of Part I, line 27b).	6	82,141.
7 Add lines 5 and 6.	7	10,031,469.
8 Enter qualifying distributions from Part XII, line 4. If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	9,355,453.

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 <input type="checkbox"/> and enter "N/A" on line 1. . . . Date of ruling or determination letter: _____ (attach copy of letter if necessary - see instructions)	1	164,281.
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b.		
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	164,281.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	164,281.
6	Credits/Payments.		
a	2016 estimated tax payments and 2015 overpayment credited to 2016.	6a	241,163.
b	Exempt foreign organizations - tax withheld at source.	6b	
c	Tax paid with application for extension of time to file (Form 8868).	6c	30,000.
d	Backup withholding erroneously withheld.	6d	
7	Total credits and payments. Add lines 6a through 6d.	7	271,163.
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> 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	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid.	10	106,882.
11	Enter the amount of line 10 to be: Credited to 2017 estimated tax <input type="checkbox"/> 106,882. Refunded <input type="checkbox"/> 11	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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
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.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes.		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If "Yes," has it filed a tax return on Form 990-T for this year?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NC,		
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.	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? If "Yes," complete Part XIV.		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses.		X

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	X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions).	12	X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>WWW.MOREHEADCAIN.ORG</u>	13	X
14 The books are in care of <u>STEVEN R. MICHALAK</u> Telephone no <u>919-962-1201</u> Located at <u>P.O. BOX 690 CHAPEL HILL, NC</u> ZIP+4 <u>27514</u>		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year. <u>15</u>		
16 At any time during calendar year 2016, 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? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country <u></u>	16	X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly) (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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). <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
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 2016?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)) a At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years <u></u> 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) <u></u> c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u></u>	2b	
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b If "Yes," did it have excess business holdings in 2016 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 2016.)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 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 2016?	4a	X
	4b	X

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(a))? ☐ 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 4945(d)(4)(A)? (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** ☒ X
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** ☒ X
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** ☒ X

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
ATCH 8		897,307.	44,010.	907.

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
ATCH 9		204,883.	27,209.	0.

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
ATCH 10		1,961,597.
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 NOT APPLICABLE	
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 NOT APPLICABLE	
2	
All other program-related investments. See instructions	
3 NONE	
Total. Add lines 1 through 3 ▶	

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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	217,113,261.
b	Average of monthly cash balances	1b	4,790,051.
c	Fair market value of all other assets (see instructions).	1c	847,099.
d	Total (add lines 1a, b, and c)	1d	222,750,411.
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	222,750,411.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions).	4	3,341,256.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	219,409,155.
6	Minimum investment return. Enter 5% of line 5	6	10,970,458.

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	10,970,458.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	164,281.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	164,281.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	10,806,177.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	10,806,177.
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	10,806,177.

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	9,355,453.
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	9,355,453.
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	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	9,355,453.

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.

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Page **9****Part XIII Undistributed Income (see instructions)**

	(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				10,806,177.
2 Undistributed income, if any, as of the end of 2016:				
a Enter amount for 2015 only.			5,901,419.	
b Total for prior years. 20 <u>14</u> , 20 <u>13</u> , 20 <u>12</u>				
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013				
d From 2014				
e From 2015				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ <u>9,355,453.</u>				
a Applied to 2015, but not more than line 2a			5,901,419.	
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 2016 distributable amount.				3,454,034.
e Remaining amount distributed out of corpus.				
5 Excess distributions carryover applied to 2016 . (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				
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 2015 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017.				7,352,143.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)				
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015				
e Excess from 2016				

Form **990-PF** (2016)

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

NOT APPLICABLE

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, 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			(e) Total
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	
2 a 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)(ii)					
(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).)

N/A

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.

N/A

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 address of the person to whom applications should be addressed:

N/A

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

SEE ATTACHMENT 14

c Any submission deadlines:

SEE ATTACHMENT 14

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

SEE ATTACHMENT 14

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 ATCH 11				
Total			3a	8,083,523.
b Approved for future payment				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount		
1 Program service revenue						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments .						
4 Dividends and interest from securities			14	2,685,366.		
5 Net rental income or (loss) from real estate.						
a Debt-financed property						
b Not debt-financed property						
6 Net rental income or (loss) from personal property. .						
7 Other investment income						
8 Gain or (loss) from sales of assets other than inventory			18	8,910,198.		
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory. . .						
11 Other revenue a _____						
b ATCH 12 _____		196,119.		-512,614.		
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)		196,119.		11,082,950.		
13 Total. Add line 12, columns (b), (d), and (e)						11,279,069.

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

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

[illegible]

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) | X |
| | (2) Other assets | 1a(2) | X |
| b | Other transactions: | | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b(1) | X |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | X |
| | (3) Rental of facilities, equipment, or other assets | 1b(3) | X |
| | (4) Reimbursement arrangements | 1b(4) | X |
| | (5) Loans or loan guarantees | 1b(5) | X |
| | (6) Performance of services or membership or fundraising solicitations | 1b(6) | X |
| | c Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | X |
| d | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. | | |

[illegible]

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

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

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.

**Sign
Here**

► STEVEN R. MICHALAK

Signature of officer or trustee

Date _____

5/15/2018

TREASURER

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

JARED L PILAND

Preparer's signature _____

Q/KW CPA

Date _____

05/14/18

Check ☐ if self-employed

PTIN

P01326291

Firm's name ▶ **BATCHELOR, TILLERY & ROBERTS, LLP**

Firm's EIN ▶ 56-1750124

Firm's address ► 3605 GLENWOOD AVENUE, SUITE 350
RALEIGH, NC

Phone no. 919-787-8212

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Name of the organization

THE MOREHEAD-CAIN FOUNDATION

Employer identification number

56-0599225

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust not treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it must answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

Name of organization **THE MOREHEAD-CAIN FOUNDATION**Employer identification number
56-0599225**Part I** **Contributors** (See instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	MOREHEAD-CAIN SCHOLARSHIP FUND POST OFFICE BOX 690 CHAPEL HILL, NC 27514	\$ 1,801,866.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)

Name of organization **THE MOREHEAD-CAIN FOUNDATION**Employer identification number
56-0599225**Part II** **Noncash Property** (See instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization THE MOREHEAD-CAIN FOUNDATION

Employer identification number

56-0599225

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ► \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
1,080,363.		STEPSTONE PIONEER CAPITAL II, L.P. PROPERTY TYPE: COMMON TRUST FUND 1,005,329.				P	VAR 75,034.	VAR
4,306,733.		GLOBAL ENDOWMENT MANAGEMENT FUND II PROPERTY TYPE: COMMON TRUST FUND				P	VAR 4,306,733.	VAR
		GLOBAL ENDOWMENT MANAGEMENT LMF FUND PROPERTY TYPE: COMMON TRUST FUND 7,402.				P	VAR -7,402.	VAR
		GLOBAL ENDOWMENT MANAGEMENT GEF-STL FUND PROPERTY TYPE: COMMON TRUST FUND 87.				P	VAR -87.	VAR
8,123,213.		UNC FOUNDATION INVESTMENT FUND PROPERTY TYPE: COMMON TRUST FUND 3,587,293.				P	VAR 4,535,920.	VAR
TOTAL GAIN(LOSS)							<u>8,910,198.</u>	

THE MOREHEAD-CAIN FOUNDATION

2016 FORM 990-PF

56-0599225

FORM 990PF, PART I - CONTRIBUTIONS, GIFTS AND GRANTS RECEIVED

ATTACHMENT 1

<u>NAME AND ADDRESS</u>	<u>DATE</u>	<u>DIRECT PUBLIC SUPPORT</u>
MOREHEAD-CAIN SCHOLARSHIP FUND POST OFFICE BOX 690 CHAPEL HILL, NC 27514	VARIOUS	1,801,866.
TOTAL CONTRIBUTION AMOUNTS		<u>1,801,866.</u>

ATTACHMENT 2

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
OTHER INC(LOSS) FROM PASS-THRU ENTITIES	-316,495.	-316,495.
TOTALS	-316,495.	-316,495.

ATTACHMENT 3FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>CHARITABLE PURPOSES</u>
EMPLOYMENT TAXES	104,472.	14,477.	89,995.
EXCISE TAXES	468,141.		
TOTALS	<u>572,613.</u>	<u>14,477.</u>	<u>89,995.</u>

FORM 990PF, PART I - OTHER EXPENSESATTACHMENT 4

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
INSURANCE	35,479.	8,870.	26,609.
OFFICE FURN, EQUIPMENT, MAINT.	30,993.	2,962.	30,252.
OFFICE SUPPLIES, POSTAGE, ETC.	23,676.	674.	23,488.
TELEPHONE	6,342.	623.	5,788.
MOREHEAD BLDG & ART GALLERY	7,156.		7,156.
TOTALS	<u>103,646.</u>	<u>13,129.</u>	<u>93,293.</u>

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 5

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
EQUITIES	193,479,650.	192,671,143.	222,110,133.
TOTALS	<u>193,479,650.</u>	<u>192,671,143.</u>	<u>222,110,133.</u>

FORM 990PF, PART II - OTHER ASSETSATTACHMENT 6

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
CSV SPLIT DOLLAR INSURANCE	701,980.	735,358.	735,358.
REFUNDABLE DEPOSITS	370.	3,624.	3,624.
NC SALES TAX RECEIVABLE	26,163.	24,327.	24,327.
OTHER ASSETS	23,570.	21,637.	21,637.
TOTALS	<u>752,083.</u>	<u>784,946.</u>	<u>784,946.</u>

ATTACHMENT 7FORM 990PF, PART II - OTHER LIABILITIES

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>
ACCRUED TRUSTEES FEES	54,291.	77,966.
FEDERAL EXCISE TAXES PAYABLE	559,745.	199,324.
TOTALS	<u>614,036.</u>	<u>277,290.</u>

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 8

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
CHARLES E. LOVELACE, JR. POST OFFICE BOX 690 CHAPEL HILL, NC 27514	EXECUTIVE DIRECTOR 40.00	355,439.	15,769.	907.
MEGAN M. MAZZOCCHI POST OFFICE BOX 690 CHAPEL HILL, NC 27514	ASSOCIATE DIRECTOR 40.00	171,854.	9,487.	0.
STEVEN R. MICHALAK POST OFFICE BOX 690 CHAPEL HILL, NC 27514	TREASURER 40.00	168,796.	9,475.	0.
DAVID B. GREER POST OFFICE BOX 690 CHAPEL HILL, NC 27514	DIRECTOR OF DEVELOPMENT 40.00	123,250.	9,279.	0.
DAVID C. WRIGHT POST OFFICE BOX 690 CHAPEL HILL, NC 27514	CHAIRMAN/TRUSTEE 5.00	20,383.	0.	0.
G. KENNEDY THOMPSON POST OFFICE BOX 690 CHAPEL HILL, NC 27514	VICE CHAIRMAN/TRUSTEE 2.50	10,192.	0.	0.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 8 (CONT'D)

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
TIMOTHY B. BURNETT POST OFFICE BOX 690 CHAPEL HILL, NC 27514	TRUSTEE 2.50	5,096.	0.	0.
JOHN A. LARKIN III POST OFFICE BOX 690 CHAPEL HILL, NC 27514	TRUSTEE 2.50	6,625.	0.	0.
LUCY HANES CHATHAM POST OFFICE BOX 690 CHAPEL HILL, NC 27514	TRUSTEE 2.50	10,192.	0.	0.
W. FRANK DOWD IV POST OFFICE BOX 690 CHAPEL HILL, NC 27514	TRUSTEE 2.50	10,192.	0.	0.
TIMOTHY P. SULLIVAN POST OFFICE BOX 690 CHAPEL HILL, NC 27514	TRUSTEE 2.50	5,096.	0.	0.
MARGARET W. WEAVER POST OFFICE BOX 690 CHAPEL HILL, NC 27514	TRUSTEE 2.50	10,192.	0.	0.
GRAND TOTALS		<u>897,307.</u>	<u>44,010.</u>	<u>907.</u>

990PF, PART VIII - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

<u>NAME AND ADDRESS</u>		<u>ATTACHMENT 9</u>	
<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>		<u>COMPENSATION</u>	<u>CONTRIBUTIONS EXPENSE ACCT TO EMPLOYEE AND OTHER BENEFIT PLANS ALLOWANCES</u>
BRENDAN R. FOLEY POST OFFICE BOX 690 CHAPEL HILL, NC 27514	DIGITAL COMM MANAGER 40.00	73,525.	9,091. 0.
JULIE G. DEVOE POST OFFICE BOX 690 CHAPEL HILL, NC 27514	SCHOLAR ADVISOR 40.00	64,925.	9,055. 0.
KARMAN I. KENT POST OFFICE BOX 690 CHAPEL HILL, NC 27514	SCHOLAR ADVISOR 40.00	66,433.	9,063. 0.
TOTAL COMPENSATION		204,883.	27,209. 0.

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALSATTACHMENT 10

<u>NAME AND ADDRESS</u>	<u>TYPE OF SERVICE</u>	<u>COMPENSATION</u>
GLOBAL ENDOWMENT MANAGEMENT 550 S. TRYON STREET, SUITE 3500 CHARLOTTE, NC 28202	INVSTMT MANAGEMENT	1,898,170.
THE CATERING COMPANY 1322 FORDHAM BOULEVARD, SUITE 2 CHAPEL HILL, NC 27514	CATERING/EVENT SVS	63,427.
	TOTAL COMPENSATION	<u>1,961,597.</u>

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 11

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
SCHOLARSHIP AWARDS	NONE		SCHOLARSHIP GRANTS FOR UNDERGRADUATE STUDY SEE ATTACHMENT 13	6,621,637.
UNIVERSITY OF NORTH CAROLINA-CHAPEL HILL	N/A			
MOREHEAD HOUSE MAINTENANCE	N/A	PC	TO MAINTAIN FACILITY FOR DISTINGUISHED GUESTS	130,578.
SCHOLARSHIP & ENRICHMENT PROGRAM	N/A	PC	SUPPORT & PROMOTION OF THE MOREHEAD-CAIN SCHOLARS PROGRAM AND THE SUMMER ENRICHMENT PROGRAM	1,328,308.
OTHER	N/A	PF	CONTRIBUTION TO UNC-CH EDUCATIONAL FOUNDATION	3,000.
TOTAL CONTRIBUTIONS PAID				<u>8,083,523</u>

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUEATTACHMENT 12

<u>DESCRIPTION</u>	<u>BUSINESS CODE</u>	<u>AMOUNT</u>	<u>EXCLUSION CODE</u>	<u>AMOUNT</u>	<u>RELATED OR EXEMPT FUNCTION INCOME</u>
INC FROM PASS-THRU	523000	196,119.	01	-512,614.	
TOTALS		<u>196,119.</u>		<u>-512,614.</u>	

Scholarship Grants for Undergraduate Study at UNC-Chapel Hill
Year Ended 6/30/2017

Name	Grant Amount
Ms. Leslie Ruby Acosta Padilla	1,801.20
Ms. Aditi Adhikari	34,637.78
Mr. Vikram Aikat	34,191.03
Miss Alicia Hayne Alford	22,942.14
Ms. Sandy Ellen Alkoutami	19,018.77
Mr. David Ray Allen Jr.	27,942.14
Mr. Jonathan Tyler Alvarez	29,034.24
Mr. John Gregory Amoroso	32,479.81
Miss Rossi Akim Anastopoulos	23,124.26
Mr. Vincent Charles Andracchio	22,942.14
Mr. Norman Archer	27,942.14
Mr. Ryan Austin Armstrong	28,028.47
Ms. Nikhil Mohan Arora	33,434.16
Mr. Anthony Michael Asher	22,942.14
Ms. Emma Marie Astrike-Davis	23,822.14
Miss Caleigh Morgan Bachop	35,046.49
Ms. Carolyn Alice Barker	36,160.95
Ms. Cecilia Beard	35,629.14
Mr. Darryl Keith Beasley	27,242.14
Miss Timber Grey Beeninga	23,397.79
Ms. Mary Grady Burnette Bell	22,942.14
Mr. James Willis Benson	32,458.74
Mr. Noah Clark Berens	34,016.03
Ms. Jordan Rose Bermudez	23,148.08
Ms. Jona Bocari	2,163.02
Mr. Ivan Paul Boyers	31,954.74
Mr. Patrick Anderson Bradey	1,964.90
Ms. Anna Katherine Brandao	2,540.70
Mr. Travis Benjamin Broadhurst	24,517.14
Mr. Davis Richard Brown	29,712.64
Ms. Mary Beth Browne	26,442.14
Ms. Olivia Marie Bruff	26,243.08
Ms. Grace Harper Buie	17,816.07
Ms. Wynn Alexandra Burrus	28,638.14
Mr. Rodrigo Antonio Bustamante	35,854.34
Mr. Lucas Saunders Buxton	2,481.10
Mr. Nicholas Edward Byrne	16,771.07
Ms. Carly Bess Cannoy	28,120.54
Mr. Kevin Weiguang Cao	32,298.54
Ms. Kayley Elizabeth Carpenter	2,052.10
Ms. Allison Anne Carter	26,187.64
Mr. Andre Bicalho Ceccotti	29,365.60
Ms. Alexandria Leigh Chadwick	1,456.22
Ms. Rebecca Marie Chaisson	36,996.07
Mr. Cameron Alexander Champion	31,605.35
Ms. Catherine D'Arcy Miyoung Chang	1,492.20
Mr. Reuben Varghese Chemmanam	29,661.25
Mr. Alexander Darwin Clayton	28,556.26
Mr. Dennis Montgomery Cmiel	1,964.60
Ms. Rebekah Claire Cockram	19,959.33
Mr. David William Collins	33,169.16
Ms. Mia Wendy Colloredo-Mansfeld	1,519.60
Mr. Christopher Jin Yang Combemale	34,311.03
Ms. Sandra Shawen Conway	33,040.44
Mr. Jason Ray Cowan	1,375.60
Mr. Hunter Davis	2,504.60
Mr. Scott Andrews Diekema	28,148.16

Name	Grant Amount
Mr. John Patrick Dinges	1,169.10
Ms. Mackenzie Elizabeth Dion	1,147.00
Ms. Blake Horrigan Dodge	28,857.14
Ms. Anna Elizabeth Dodson	29,567.14
Mr. David Isaac Doochin	17,901.67
Miss Ana Claire Dougherty	25,609.14
Mr. John Charles Drouilhet	27,593.89
Ms. Claire McBride Drysdale	15,044.47
Ms. Olivia Grace Dunn	28,987.24
Ms. Caroline Elizabeth Durante	975.60
Ms. Lauren Alexandra Eaves	30,770.82
Mr. Harry Joe Edwards	28,169.16
Ms. Elizabeth Kendrick Essen	29,153.47
Miss Leah Grace Everist	29,676.74
Mr. William Grant Everist	2,145.60
Ms. Agnes Chinwe Ezekwesili	31,424.49
Mr. Donald L. Fejfar	1,497.60
Mr. Mckenzie Sean Folan	22,942.14
Ms. Caroline Christine Folz	29,058.07
Ms. Danielle Alexis Fowler	28,498.14
Mr. Vince Ellington Friedman	33,544.92
Mr. Sanjay Raaj Venkata Gadi	28,861.91
Ms. Emily Margaret Galvin	1,338.10
Ms. Meghana Ganapathiraju	25,487.64
Miss Nancy Gao	23,242.14
Mr. Angel Rodolfo Gaona	1,845.37
Miss Kristen Marie Gardner	33,561.33
Ms. Rachel Katherine Gideon	22,942.14
Mr. Christian Sutton Rust Gillespy	500.00
Ms. Sarah Elizabeth Gilmour	29,580.07
Ms. Kate Goldenring	26,865.14
Ms. Tyla Briana Gomez	32,328.14
Ms. Lauren Emily Gornito	1,242.67
Mr. Robert Morris Griffin Gourley	27,692.14
Miss Destinee Hope Grove	22,942.14
Mr. Carter Lewis Guenster	28,971.07
Ms. Ana Karen Guerrero	43,633.33
Mr. Christopher David Guevara	19,905.58
Mr. Justin G. Hadad	936.40
Mr. Samuel O'Brien Haddad	29,643.70
Mr. Jakob Skyler Hamilton	29,992.14
Mr. Adam Husein Hasan	36,696.07
Ms. Margaret Louise Hassel	27,811.24
Ms. Jacquelyn Claire Hedrick	1,323.60
Ms. Keely Ann Hendricks	32,243.21
Ms. Aisling Spencer Henihan	35,896.57
Ms. Grace Lane Fulton Henley	2,452.20
Mr. Daniel C. Hirst	38,366.01
Ms. Mallory Anne Hoffman	26,442.96
Ms. Sara Rose Holley	2,005.50
Ms. Elizabeth Reaves Houston	28,977.29
Mr. Morgan James Howell	23,192.14
Ms. Olivia Leigh Hoynes	966.50
Mr. Devon Paul Hughes	27,027.74
Mr. Tai Trong Huynh	32,633.14
Ms. Claire Reeves Hyde	500.00
Ms. Anna Andreevna Ilyasova	1,294.10
Miss Martha Isaacs	23,942.14
Mr. Malik Savoy McNeil Jabati	23,049.07
Mr. Matthew David Llewellyn Jackman	29,330.95

Name	Grant Amount
Mr. Taner Kylan Jacobs	1,212.60
Mr. Caleb Nathaniel Jadrach	22,942.14
Mr. Varun Jain	2,241.42
Ms. Rhea Manish Jaisinghani	1,021.60
Mr. Robert Kirkman Jarrell	22,942.14
Miss Caroline Spears Jennings	25,572.14
Mr. Devon Chandler Johnson	32,919.74
Mr. Erik Michael Johnson	25,749.07
Ms. Regan Nicole Johnson	26,793.04
Ms. Taya Sherie Joseph	1,881.10
Ms. Pooja Dhanesh Joshi	36,567.38
Ms. Rachel Elizabeth Joyner	40,275.14
Ms. Elaine Kaye Kearney	30,064.83
Ms. Jessie Ann Keener	26,442.14
Mr. Matthew Haynes Keith	2,131.60
Mr. Joshua William Kennedy	1,225.60
Ms. Caroline Marie Kennedy	35,073.56
Miss Lauren Grace Kent	22,942.14
Mr. Ashish Thakur Khanchandani	23,985.74
Ms. Kelsie Naomi King	1,580.60
Ms. Grace Kyende Kinoti	35,359.36
Mr. Colby Dixon Kirkpatrick	48,409.30
Ms. Anna Cady Kiyonaga	43,019.14
Mr. Max Ryan Kobernick	2,153.60
Ms. Elena Rosa Kovalik	22,942.14
Ms. Joanna Kuang	1,294.10
Ms. Sarah Jane Kuehn	1,036.00
Mr. Sami Leroy Lachgar	5,000.00
Mr. Pearce Armstrong Landry II	1,827.88
Ms. Melanie Amber Langness	33,471.07
Mr. Eric Hanlin Lee	15,871.07
Ms. Rachel Susannah Lempp	27,442.14
Ms. Laura Catherine Limarzi	28,287.21
Mr. Tony Hong Liu	22,942.14
Mr. Richard Foster Livingston	1,837.56
Mr. Kunal Lodaya	31,138.74
Ms. Constance Elizabeth Longmate	40,878.73
Mr. Samuel Sumner Lowe	33,188.64
Ms. Stuart Glascoe Luter	31,173.95
Ms. Hoang My Linh Luu	20,448.43
Mr. Kaleb Alexander Lyda	32,001.04
Mr. Yunfei Ma	35,945.71
Ms. Clare L. MacDonald	32,888.86
Ms. Sarah Lutz Mackenzie	41,599.80
Mr. Nicholas Torquil Macleod	27,446.65
Mr. Daniel Shiloh Malawsky	32,687.32
Ms. Niman Mann	13,798.47
Ms. Sydney Addison Mantell	31,078.74
Ms. Ashton Brianna Martin	34,075.93
Ms. Victoria Matus	33,645.83
Ms. Sarah Margaret McAdon	29,392.14
Mr. Levi Thomas McCracken	2,092.60
Mr. Kent Matthew McDonald	34,232.47
Ms. Sophia Claire McFarlane	27,238.04
Mr. William Alberto McGregor	1,053.60
Ms. Allison Rae McGuire	26,942.14
Mr. Nicholas Lance McKenzie	26,643.14
Mr. Cameron Caldwell McNeill	11,471.07
Mr. Andrew Philip McCracken	993.50
Mr. Peter Everett McWilliams	23,478.14

Name	Grant Amount
Ms. Ashley Caroline Meise	32,298.55
Miss Meredith Gracen Miller	22,942.14
Ms. Megan Elizabeth Miller	31,639.78
Mr. Oliver Mitchell-Boyask	26,682.54
Ms. Bridget V. Mizener	30,142.55
Ms. Mahogany Alexis Monette	26,163.10
Ms. Evelyn Mugnier Morris	32,254.54
Ms. Hannah Rose Motley	2,022.74
Mr. Kimathi Mokua Muiruri	958.00
Ms. Amukelani Sihle Muyanga	17,417.91
Mr. Sebastian Brant Nabatoff	32,048.97
Mr. Joseph Robert Nail	31,671.86
Ms. Gabrielle Blue Nair	17,583.97
Ms. Catherine Mackenzie Nelsen	27,728.54
Mr. Jose Eduardo Neri	958.00
Mr. Sean Quan Nguyen	816.60
Ms. Elizabeth Grace Nicholls	17,146.07
Mr. Daniel Oluwakorede Ogunbamowo	2,489.48
Mr. Adeyemi Ademide Olatunde	40,222.15
Ms. Carly M. Onnink	33,906.33
Mr. Bradley Calvin Ochieng Opere	28,172.97
Mr. Walter Patton Orr	31,373.00
Miss Anne Bennett Osteen	24,942.14
Ms. Phillippa Frances Owens	52,429.23
Mr. Uzorma Kafinyinfunoluwa Owete	38,734.83
Mr. Nathan John Pait	2,311.60
Ms. Marcella Francesca Pansini	1,029.10
Mr. Ege Partal	36,548.86
Ms. Mollie Anna Pepper	1,138.10
Mr. Morgan Mckenna Pergande	22,942.14
Ms. Pavani Peri	31,862.74
Miss Emily Catherine Perry	22,942.14
Miss Alexandra Key Polk	22,942.14
Ms. Danielle du Preez	32,066.23
Mr. Wesley James Yount Price	30,887.54
Ms. Cara Charon Pugh	26,442.14
Mr. Matthew Scott Queen	29,392.14
Ms. Megan Lynn Raisle	33,523.30
Miss Eryn Rachel Ratcliffe	22,942.14
Miss Meera Caroline Ravi	27,502.75
Mr. Ezra Miles Rawitsch	36,487.47
Ms. Rishika Reddy	33,797.24
Mr. Rishab Rajan Revankar	30,840.46
Mr. Thomas Clive Richards	33,006.73
Mr. Lucas Cole Risinger	1,780.10
Ms. Corey Landever Risinger	16,471.07
Ms. Megan Moriarity Rogge	27,489.54
Ms. Elizabeth Jett Russler	31,530.74
Miss Nakisa Sadeghi	26,502.14
Ms. Ruth Etiesit Samuel	1,389.60
Ms. Sarah Dudley Sasz	1,964.90
Mr. Jacob Scott Schmidt	28,134.00
Mr. Erik Reinhard Schoning	24,064.08
Mr. Nicholas Scott-Hearn	33,772.14
Ms. Mary Kathryn Selzer	46,239.04
Ms. Frances Galloway Sentilles	2,851.52
Mr. Mihir Kamlesh Shah	33,531.54
Ms. Shreya Ashish Shah	31,580.70
Mr. Rohun Shah	31,048.14
Mr. Jay Ashish Sheth	955.60

Name	Grant Amount
Mr. Brian Charles Shields	22,942.14
Ms. Madison Katherine Shoemaker	34,816.17
Miss Anita Simha	22,942.14
Ms. Ashley Chandler Simpson	2,094.60
Mr. John Wilson Sink	22,942.14
Ms. Junessa Rose Sladen-Dew	39,318.26
Ms. Hannah Brown Sloan	17,669.67
Ms. Margaret Leah Small	29,747.55
Mr. Philip Daniel Smart	32,765.14
Ms. Isabelle Francisca Smith	31,580.54
Ms. Corinne Spencer	28,743.28
Mr. Amruthansh Swamy Sriperumbudur	1,394.70
Mr. John Donoghue Stanton	23,212.56
Ms. Gabriella Hope Stein	39,535.13
Ms. Elizabeth Edna Stockton	33,040.44
Miss Katherine Anne Stotesbery	22,942.14
Mr. Joseph O'Rourke Sullivan	22,942.14
Ms. Catherine Atchison Sullivan	15,581.47
Ms. Kelsey Barnhardt Sutton	34,227.33
Ms. Sophia Wessels Swift	1,635.80
Ms. Madison Grace Tart	1,051.60
Ms. Eleanor Savoy Teller	27,742.14
Miss Diane Nicole Thompson	22,942.14
Ms. Ruth Johanna Tomlin	33,647.59
Ms. Elizabeth Peng Tong	31,700.97
Mr. Ryan Friedrich Totz	58,250.75
Mr. Graham C. Treasure	22,942.14
Mr. Raymond Tu	1,390.10
Mr. Jack Elliot Turner	40,184.64
Miss Ariana Brynn Vaisey	25,164.14
Ms. Isa Margaret van der Drift	32,496.24
Ms. Emily Ann Venturi	23,440.29
Mr. Anamay Viswanathan	54,038.80
Ms. Myra Waheed	29,900.07
Mr. Caleb Micah Walker Wilson	28,406.74
Ms. Jessica Jiadai Wang	1,377.57
Mr. Richard Andrew Wayland	2,467.60
Ms. Brittany-Diana Marfowaa Wiafe	31,454.01
Mr. Gordon Miller Wilbourn Jr.	38,353.07
Mr. Dauverian Travun Williams	18,273.90
Mr. Daverian Travun Williams	10,971.07
Ms. Jordyn Marie Williams	1,229.60
Miss Amy Rebecca Woff	26,051.14
Ms. Reagan Emery Woodard	1,513.20
Miss Caroline Aunspaugh Woronoff	22,942.14
Ms. Mina Yakubu	1,214.10
Miss Ottavia Zattra	28,793.76
Ms. Lili Emilia Zay	33,763.00
Miss Morgan Elizabeth Zemaitis	24,979.14
Mr. Eric Kai Zhu	32,278.14
Ms. Thokozile Ellen Zimba	38,706.79
Ms. Olivia Marie Zitkus	30,145.54
Ms. Lauren Victoria Zitney	38,502.90
Total Scholar Grants	6,621,636.82



Selection Process

The Morehead-Cain selection process begins as five distinct processes, each leveraging the expertise of Foundation staff, a corps of professional readers, and hundreds of alumni interviewers and volunteer evaluators.

Candidates enter our process via nomination—either their schools' or their own. Nominees complete their applications by appointed deadlines, and a team of readers render initial assessments and make recommendations. It is the task of these assessors to answer a basic question: Should this applicant be considered for a semifinal interview or not?

In recent years, nearly 20% of Morehead-Cain nominees became semifinalists.

At the semifinal level:

North Carolinians and British candidates are interviewed in person

All others complete an asynchronous video interview that is evaluated by Foundation staff and trained alumni

The UNC Office of Undergraduate Admissions also refers to our process particularly strong Early Action applicants through our Admissions Referral Program (ARP). Like out-of-state nominees, ARP semifinalists are evaluated by asynchronous interview.

From semifinal interviews, 137 finalists are identified and invited to campus for Final Selection Weekend: the point where all five selection pathways converge. Over an extended weekend visit, finalists explore Carolina, meet their scholar and candidate peers, and complete a panel interview and four short interviews with small groups of our Central Selection Committee.

Morehead-Cain interviews—at the semifinal and final selection stages—are designed to be warm and inviting, to set the candidates at ease so that they might showcase themselves

with confidence. Interviews are weighed and discussed at length, after which interviewer groups make final recommendations to Morehead-Cain trustees and selection staff.

Ultimately, scholarship offers are made to slightly more than half of our finalist group, depending on the target class size.



Eligibility

To be eligible for the Morehead-Cain, you must be:

- a competitive applicant to the University of North Carolina at Chapel Hill
- on track to graduate in the spring

Early Decision policy:

While candidates for the scholarship are more than welcome to apply to other colleges and universities under Early Action or Regular Decision application plans, **please note that candidates are not permitted to apply binding Early Decision to other colleges or universities while under consideration for the Morehead-Cain.**

These eligibility requirements are the same for all students applying for the Morehead-Cain, but there are five different ways to enter the selection process:

North Carolina

- Be nominated by your high school (All N.C. high schools are eligible)
- Apply directly for the scholarship

Canada

- Be nominated by an eligible school
- Apply directly if you don't attend an eligible school

Great Britain

- Be nominated by an eligible school
- Apply directly if you don't attend an eligible school

Out-of-state or International

- Be nominated by your high school (**Please note:** Only eligible schools can nominate)
- Be nominated by an eligible affiliate program
- Apply directly as a self-nominee if you are a resident of North Carolina who attends an out-of-state school

Admissions Referral Program (ARP)

The UNC Admissions Office refers particularly strong Early Action applicants to UNC to the Morehead-Cain selection process. In most cases, referred students attend high schools that are not eligible to nominate on their own.

- Apply for admission to UNC by the (non-binding) Early Action deadline of October 15 to be considered for the Morehead-Cain
- Be nominated by the UNC Admissions Office through the Admissions Referral Program

Please note:

Admission to the University of North Carolina at Chapel Hill is a separate process from the Morehead-Cain application. All forms and correspondence dealing with admission to Carolina should go directly to the Office of Undergraduate Admissions.

The University of North Carolina at Chapel Hill hosts two independent merit scholarship programs: the Morehead-Cain and the Robertson. A student may not be considered for both scholarships at UNC-Chapel Hill at the same time.



Criteria

Scholarship It isn't the high-achieving student we seek so much as the scholar—the one for whom knowledge is about more than grades and test scores, and for whom learning is an appetite rather than a means to an end.

Leadership It's more than titles held or roles played. Here, leadership demonstrates courage and action. Morehead-Cains initiate. They act and they impact. They influence and they inspire.

Character Integrity, empathy, bravery, humility, maturity, generosity: these form the bedrock of the Morehead-Cain culture.

Physical Vigor It's as simple as a demonstrated commitment to an active lifestyle and a dedication to fitness and physical activity.*

* Due consideration is given to nominees with physical limitations.