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Form 990-PF

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
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.
Go to www.irs.gov/Form990PF for instructions and the latest information.

OMB No 1545-0052

2018

Open to Public Inspection

For calendar year 2018, or tax year beginning 07-01-2018, and ending 06-30-2019

Name of foundation
THE JAMES W DAVIS FOUNDATION INC

Number and street (or P O box number if mail is not delivered to street address)
PO BOX 1068

City or town, state or province, country, and ZIP or foreign postal code
STATESVILLE, NC 28687

G Check all that apply

☐ Initial return

☐ Initial return of a former public charity

☐ Final return

☐ Amended return

☐ Address change

☐ 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) \$ 7,649,759

J Accounting method

☒ Cash

☐ Accrual

☐ Other (specify) (Part I, column (d) must be on cash basis)

A Employer identification number
58-1528127

B Telephone number (see instructions)
(704) 873-2425

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

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

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)			
	2 Check ☒ if the foundation is not required to attach Sch B			
	3 Interest on savings and temporary cash investments			
	4 Dividends and interest from securities	409,927	409,927	
	5a Gross rents			
	b Net rental income or (loss)			
	6a Net gain or (loss) from sale of assets not on line 10	193,980		
	b Gross sales price for all assets on line 6a			
	7 Capital gain net income (from Part IV, line 2)			
	8 Net short-term capital gain			
	9 Income modifications			
	10a Gross sales less returns and allowances			
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	603,907	409,927		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	6,000		6,000
	14 Other employee salaries and wages			
	15 Pension plans, employee benefits			
	16a Legal fees (attach schedule)			
	b Accounting fees (attach schedule)	11,850	5,925	5,925
	c Other professional fees (attach schedule)			
	17 Interest			
	18 Taxes (attach schedule) (see instructions)	3,157	2,704	453
	19 Depreciation (attach schedule) and depletion			
	20 Occupancy			
	21 Travel, conferences, and meetings			
	22 Printing and publications			
	23 Other expenses (attach schedule)	16,067	15,848	219
	24 Total operating and administrative expenses. Add lines 13 through 23	37,074	24,477	12,597
	25 Contributions, gifts, grants paid	385,000		385,000
26 Total expenses and disbursements. Add lines 24 and 25	422,074	24,477	397,597	
	27 Subtract line 26 from line 12			
	a Excess of revenue over expenses and disbursements	181,833		
	b Net investment income (if negative, enter -0-)		385,450	
c Adjusted net income (if negative, enter -0-)				

For Paperwork Reduction Act Notice, see instructions.

Cat No 11289X

Form 990-PF (2018)

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 (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
Assets	1	Cash—non-interest-bearing	28,572	19,985	19,985
	2	Savings and temporary cash investments	682,039	1,062,990	1,062,990
	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		1,639	1,639
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	6,954,128	6,565,145	6,565,145
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15	Other assets (describe ▶ _____)				
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	7,664,739	7,649,759	7,649,759	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ _____)			
	23	Total liabilities (add lines 17 through 22)		0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ☒ and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	7,664,739	7,649,759	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ☐ and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	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)	7,664,739	7,649,759	
31	Total liabilities and net assets/fund balances (see instructions) .	7,664,739	7,649,759		

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	7,664,739
2	Enter amount from Part I, line 27a	2	181,833
3	Other increases not included in line 2 (itemize) ▶ _____	3	
4	Add lines 1, 2, and 3	4	7,846,572
5	Decreases not included in line 2 (itemize) ▶ _____	5	196,813
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	7,649,759

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a			

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

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

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

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

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

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

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

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

1 Enter the appropriate amount in each column for each year, see 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))
2017	399,798	7,801,001	0 051250
2016	369,853	7,340,588	0 050385
2015	324,287	7,067,959	0 045881
2014	382,044	7,701,537	0 049606
2013	366,094	7,664,034	0 047768

2 Total of line 1, column (d)	2	0 244890
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5 0, or by the number of years the foundation has been in existence if less than 5 years	3	0 048978
4 Enter the net value of noncharitable-use assets for 2018 from Part X, line 5	4	7,600,142
5 Multiply line 4 by line 3	5	372,240
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,855
7 Add lines 5 and 6	7	376,095
8 Enter qualifying distributions from Part XII, line 4	8	397,597

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	3,855
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2.	3	3,855
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	3,855
6	Credits/Payments		
a	2018 estimated tax payments and 2017 overpayment credited to 2018	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d.	7	
8	Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	111
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed ▶	9	3,966
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid ▶	10	
11	Enter the amount of line 10 to be Credited to 2019 estimated tax ▶ Refunded ▶	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? (see Instructions for definition). <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>	1b	No
c Did the foundation file Form 1120-POL for this year?	1c	
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ \$ _____ (2) On foundation managers ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>	2	No
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	No
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>	5	No
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ 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? <i>If "No," attach explanation</i> .	8b	Yes
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 2018 or the taxable year beginning in 2018? See the instructions for Part XIV. <i>If "Yes," complete Part XIV</i>	9	No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	No

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. See instructions.	11		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	13	Yes	
14	The books are in care of ▶ E BEDFORD CANNON Telephone no ▶ (704) 873-2425			

Located at **▶** 3215 BANBERRY COURT STATESVILLE NC ZIP+4 **▶** 28625

15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —check here ▶ ☐			
	and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			
16	At any time during calendar year 2018, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
	See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes", enter the name of the foreign country ▶			

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☒ No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions. 1b		
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 2018? 1c		
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018? ☐ Yes ☒ No		
	If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions). 2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
b	If "Yes," did it have excess business holdings in 2018 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 2018). 3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a		No
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 2018? 4b		No

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

		Yes	No
5a	During the year did the foundation pay or incur any amount to		
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes	☒ No
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes	☒ No
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes	☒ No
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 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	
	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? If "Yes," attach the statement required by Regulations section 53.4945–5(d)	☐ Yes	☐ No
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? If "Yes" to 6b, file Form 8870	6b	
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	
8	Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment during the year?	☐ Yes	☒ No

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation. See instructions				
(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Additional Data Table				
2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."				
(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000.				

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services. ▶		

Part IX-A Summary of Direct Charitable Activities	
List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 DONATION TO MITCHELL COMMUNITY COLLEGE FOR SCHOOL OF NURSING	150,000
2 DONATION TO GARDNER WEBB UNIVERSITY FOR SCHOOL OF NURSING	130,000
3 DONATION TO BOYS AND GIRLS CLUBS OF THE PIEDMONT	35,000
4 DONATION TO UNITED WAY OF IREDELL COUNTY	25,000

Part IX-B Summary of Program-Related Investments (see instructions)	
Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ▶	

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	7,676,605
b	Average of monthly cash balances.	1b	39,275
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	7,715,880
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	7,715,880
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	115,738
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	7,600,142
6	Minimum investment return. Enter 5% of line 5.	6	380,007

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	380,007
2a	Tax on investment income for 2018 from Part VI, line 5.	2a	3,855
b	Income tax for 2018 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	3,855
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	376,152
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	376,152
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	376,152

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	397,597
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	397,597
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	3,855
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	393,742

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				376,152
2 Undistributed income, if any, as of the end of 2018				
a Enter amount for 2017 only.				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2018				
a From 2013.				
b From 2014. 17,341				
c From 2015.				
d From 2016. 7,598				
e From 2017. 15,156				
f Total of lines 3a through e.	40,095			
4 Qualifying distributions for 2018 from Part XII, line 4 ▶ \$ 397,597				
a Applied to 2017, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).				
d Applied to 2018 distributable amount.				376,152
e Remaining amount distributed out of corpus	21,445			
5 Excess distributions carryover applied to 2018 (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	61,540			
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 2017 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019				0
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 2013 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a	61,540			
10 Analysis of line 9				
a Excess from 2014. 17,341				
b Excess from 2015.				
c Excess from 2016. 7,598				
d Excess from 2017. 15,156				
e Excess from 2018. 21,445				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2018, enter the date of the ruling. ▶					
b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)					
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
	(a) 2018	(b) 2017	(c) 2016	(d) 2015	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:	
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))	
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	
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. to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.	
a The name, address, and telephone number or email address of the person to whom applications should be addressed	
b The form in which applications should be submitted and information and materials they should include	
c Any submission deadlines	
d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors	

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

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

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2018)

Part XVII

	Yes	No
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1a(1)	No
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1a(2)	No
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1b(1)	No
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1b(2)	No
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1b(3)	No
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1b(4)	No
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1b(5)	No
-------	----

1b(6)	No
-------	----

1c	No
----	----

value
ue

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations

described in section 501(c) (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

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

Sign Here ***** Signature of officer or trustee	2019-11-12 Date	***** Title
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May the IRS discuss this return with the preparer shown below

(see instr)? ☐ **Yes** ☐ **No**

Paid Preparer Use Only	JANET S GOBLE		2019-11-12		
	Firm's name ► NORRIS STEWART & RALSTON PA				Firm's EIN ► 56-1928422
	Firm's address ► PO DRAWER 1068 STATESVILLE, NC 28687				Phone no (704) 871-1995

May the IRS discuss this return with the preparer shown below

(see instr)? ☐ Yes ☐ No

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation				
(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
JOHN N GILBERT	DIRECTOR 000 00	0	0	0
638 S MEETING STREET STATESVILLE, NC 28677				
JOHN S STEELE	VICE CHAIRMA 000 00	0	0	0
3568 S CHIPLEY FORD ROAD STATESVILLE, NC 28625				
DR MARGARET WILLHIDE	SECRETARY 000 00	0	0	0
127 COLUMBINE DRIVE STATESVILLE, NC 28625				
WILLIAM A LONG	CHAIRMAN 000 00	0	0	0
125 WICKERSHAM DRIVE STATESVILLE, NC 28625				
DOUG HENDRIX	DIRECTOR 000 00	0	0	0
PO BOX 631 STATESVILLE, NC 286870631				
DR RALPH BENTLEY	DIRECTOR 000 00	0	0	0
332 NORTH CENTER STREET STATESVILLE, NC 28677				
NATE MCELWEE	DIRECTOR 000 00	0	0	0
404 W END AVENUE STATESVILLE, NC 28677				
JANE CARTNER	DIRECTOR 000 00	0	0	0
504 WEST END AVE STATESVILLE, NC 28677				
WILLIAM TROUTMAN	DIRECTOR 000 00	0	0	0
C/O NICHOLSON FUNERAL HOME 135 E FRONT STREET STATESVILLE, NC 28677				

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
GARDNER WEBB UNIVERSITY PO BOX 997 BOILING SPRINGS, NC 28017	NONE	PUBLIC	NURSING EDUCATION	130,000
MITCHELL COMMUNITY COLLEG 500 WEST BROAD ST STATESVILLE, NC 28677	NONE	PUBLIC	NURSING EDUCATION	150,000
BOYS AND GIRLS CLUB 1415 SHELTON AVENUE STATESVILLE, NC 28677	NONE	PUBLIC	HELP NEEDY CHILDREN	35,000
Total ▶ 3a				385,000

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
FIFTH STREET MINISTRIESPO BOX 5217 STATESVILLE, NC 28687	NONE	PUBLIC	HELP NEEDY	25,000
IREDELL CHRISTIAN MINISTRIES PO BOX 86 STATESVILLE, NC 28687	NONE	PUBLIC	HELP NEEDY	10,000
UNITED WAY OF IREDELL COUNTY PO 1312 STATESVILLE, NC 28687	NONE	PUBLIC	PROVIDES RESOURCES FOR NEEDY	25,000
Total ▶ 3a				385,000

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
POWER CROSS 1133 WEST FRONT STREET STATESVILLE, NC 28677	NONE	PUBLIC	PROVIDES PROGRAMS FOR TEENS	10,000
Total  3a				385,000

TY 2018 Accounting Fees Schedule**Name:** THE JAMES W DAVIS FOUNDATION INC**EIN:** 58-1528127

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INDIRECT ACCOUNTING FEES	11,850	5,925		5,925

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2018 Gain/Loss from Sale of Other Assets Schedule

Name: THE JAMES W DAVIS FOUNDATION INC

EIN: 58-1528127

Gain Loss Sale Other Assets Schedule

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
BERKSHIRE HATHAWAY INC CL A	2017-08	PURCHASE	2018-08		72,844	64,746			8,098	
BERKSHIRE HATHAWAY INC CL A	2017-08	PURCHASE	2019-03		39,946	34,850			5,096	
YACKTMAN FUND INC	2010-07	PURCHASE	2018-08		9,141	5,948			3,193	
YACKTMAN FUND INC	2010-07	PURCHASE	2019-03		40,000	30,416			9,584	
BARON INVT FUNDS TRUST GROWTH FD	2016-06	PURCHASE	2018-08		50,394	41,823			8,571	
BARON INVT FUNDS TRUST GROWTH FD	2016-06	PURCHASE	2019-03		40,000	34,748			5,252	
FPA FDS TR FPA CRESCENT PORTFOLIO	2011-05	PURCHASE	2019-03		40,000	34,756			5,244	
VANGUARD TOTAL STK MKT INDEX FD ADMI	2016-06	PURCHASE	2019-03		40,000	29,343			10,657	
VANGUARD FUNDS DIVIDEND GROWTH FUND	2012-08	PURCHASE	2018-08		94,765	57,589			37,176	
VANGUARD FUNDS DIVIDEND GROWTH FUND	2012-08	PURCHASE	2019-03		40,000	24,414			15,586	
OAKMARK FUND ADVISOR CLASS	2017-11	PURCHASE	2018-08		129,609	76,918			52,691	
OAKMARK FUND ADVISOR CLASS	2013-02	PURCHASE	2019-03		40,000	26,701			13,299	
OPPENHEIMER DEV MKTS CL Y	2013-02	PURCHASE	2018-08		47,502	39,362			8,140	
OPPENHEIMER DEV MKTS CL Y	2013-02	PURCHASE	2019-03		40,000	33,789			6,211	
OAKMARK INTERNATIONAL FUND ADVISOR C	2017-11	PURCHASE	2018-08		12,977	11,882			1,095	
OAKMARK INTERNATIONAL FUND ADVISOR C	2013-07	PURCHASE	2019-03		40,000	43,818			-3,818	
JP MORGAN MID CAP VALUE FD CL I	2015-12	PURCHASE	2018-08		52,178	45,886			6,292	
JP MORGAN MID CAP VALUE FD CL I	2015-12	PURCHASE	2019-03		40,000	38,387			1,613	
JP MORGAN 100% TREASURY SECURITIES M	2018-12	PURCHASE	2018-12		124,625	124,625				
JP MORGAN 100% TREASURY SECURITIES M	2018-12	PURCHASE	2018-12		124,625	124,625				
JP MORGAN 100% TREASURY SECURITIES M	2018-12	PURCHASE	2018-12		125,000	125,000				
JP MORGAN 100% TREASURY SECURITIES M	2019-05	PURCHASE	2019-05		400,000	400,000				
CD SAFRA NATL BANK OF NY	2017-08	PURCHASE	2018-09		220,000	220,000				
CD COMENITY CAPITAL BANK	2019-02	PURCHASE	2019-02		220,000	220,000				

TY 2018 Investments Corporate Stock Schedule**Name:** THE JAMES W DAVIS FOUNDATION INC**EIN:** 58-1528127**Investments Corporation Stock Schedule**

Name of Stock	End of Year Book Value	End of Year Fair Market Value
BERKSHIRE HATHAWAY INC CL A	456,271	456,271
FPA FDS TR	438,023	438,023
YACKTMAN FUND	467,545	467,545
HARRIS ASSOC INVT TR OAKMARK FD	416,279	416,279
HARRIS ASSOC INVT TR OAKMARK INTL	384,435	384,435
OPPENHEIMER DEV MKTS	437,578	437,578
VANGUARD SPECIALIZED PORTFOLIOS	491,075	491,075
VANGUARD INDEX FUNDS	451,649	451,649
NATIXIS FUNDS TR II LOOMIS SAYLES	1,404,965	1,404,965
BARON INVESTMENT FUNDS TRUST GROWTH	476,238	476,238
JP MORGAN MID CAP VALUE FUND	434,880	434,880
JP MORGAN TREASURY SECURITIES	706,207	706,207

TY 2018 Other Decreases Schedule

Name: THE JAMES W DAVIS FOUNDATION INC
EIN: 58-1528127

Description	Amount
UNREALIZED LOSS ON INVESTMENTS	196,813

TY 2018 Other Expenses Schedule**Name:** THE JAMES W DAVIS FOUNDATION INC**EIN:** 58-1528127**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
INVESTMENT FEES	15,127	15,127		
OFFICE AND MISCELLANEOUS EXPE	878	659		219
PENALTIES	62	62		

TY 2018 Taxes Schedule**Name:** THE JAMES W DAVIS FOUNDATION INC**EIN:** 58-1528127

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXCISE TAX	2,704	2,704		
PAYROLL TAX	453			453