

For calendar year 2019, or tax year beginning 01-01-2019, and ending 12-31-2019

Name of foundation THE HARVEY-MCNAIRY FOUNDATION INC		A Employer identification number 20-8686982	
Number and street (or P.O. box number if mail is not delivered to street address) PO BOX 189		B Telephone number (see instructions)	
City or town, state or province, country, and ZIP or foreign postal code KINSTON, NC 28502		C If exemption application is pending, check here ▶ ☐	
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change		D 1. Foreign organizations, check here..... ▶ ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ... ▶ ☐	
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 16,881,683		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐	
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)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	267,354			
	2 Check ▶ ☐ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	13,803	13,803	13,803	
	4 Dividends and interest from securities	297,053	297,053	297,053	
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	164,855			
	b Gross sales price for all assets on line 6a _____ 1,989,350				
	7 Capital gain net income (from Part IV, line 2)		15,895		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances _____				
Operating and Administrative Expenses	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	7,318		7,318	
	12 Total. Add lines 1 through 11	750,383	326,751	318,174	
	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	4,500	4,500		
	c Other professional fees (attach schedule)	90,910	90,910		
	17 Interest	3,810			
	18 Taxes (attach schedule) (see instructions)	3,081	3,081		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	4,773	4,709		
	24 Total operating and administrative expenses. Add lines 13 through 23	107,074	103,200		0
	25 Contributions, gifts, grants paid	730,299			730,299
	26 Total expenses and disbursements. Add lines 24 and 25	837,373	103,200		730,299
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-86,990			
	b Net investment income (if negative, enter -0-)		223,551		
	c Adjusted net income (if negative, enter -0-)			318,174	

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	11,878	73,583	73,583		
	2 Savings and temporary cash investments	1,329,962	331,923	331,923		
	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)	9,489,764 	10,096,116	14,340,208		
	c Investments—corporate bonds (attach schedule)	1,016,268 	1,149,333	1,158,185		
	11 Investments—land, buildings, and equipment: basis ▶ _____ Less: accumulated depreciation (attach schedule) ▶ _____					
	12 Investments—mortgage loans					
	13 Investments—other (attach schedule)	830,658 	940,585	965,305		
	14 Land, buildings, and equipment: basis ▶ _____ Less: accumulated depreciation (attach schedule) ▶ _____					
15 Other assets (describe ▶ _____)	 15,078 	12,479 	12,479 			
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	12,693,608	12,604,019	16,881,683			
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 FASB ASC 958, check here ▶ ☒ and complete lines 24, 25, 29 and 30.					
	24 Net assets without donor restrictions	12,693,608	12,604,019			
	25 Net assets with donor restrictions					
	Foundations that do not follow FASB ASC 958, check here ▶ ☐ and complete lines 26 through 30.					
	26 Capital stock, trust principal, or current funds					
	27 Paid-in or capital surplus, or land, bldg., and equipment fund					
	28 Retained earnings, accumulated income, endowment, or other funds					
	29 Total net assets or fund balances (see instructions)	12,693,608	12,604,019			
30 Total liabilities and net assets/fund balances (see instructions) .	12,693,608	12,604,019				

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 29 (must agree with end-of-year figure reported on prior year's return)	1	12,693,608
2 Enter amount from Part I, line 27a	2	-86,990
3 Other increases not included in line 2 (itemize) ▶ _____	3	
4 Add lines 1, 2, and 3	4	12,606,618
5 Decreases not included in line 2 (itemize) ▶ _____ 	5	2,599
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 29 .	6	12,604,019

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)	2	15,895
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))		
2018	703,067	14,553,159	0.048310		
2017	605,998	14,158,036	0.042802		
2016	142,500	12,799,169	0.011134		
2015	785,838	11,862,998	0.066243		
2014	193,700	7,561,548	0.025616		
2 Total of line 1, column (d)				2	0.194105
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	0.038821
4 Enter the net value of noncharitable-use assets for 2019 from Part X, line 5				4	15,280,850
5 Multiply line 4 by line 3				5	593,218
6 Enter 1% of net investment income (1% of Part I, line 27b)				6	2,236
7 Add lines 5 and 6				7	595,454
8 Enter qualifying distributions from Part XII, line 4				8	730,299

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	2,236
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	2,236
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	2,236
6	Credits/Payments:		
a	2019 estimated tax payments and 2018 overpayment credited to 2019	6a	12,480
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	12,480
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached.	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed ▶	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid ▶	10	10,244
11	Enter the amount of line 10 to be: Credited to 2020 estimated tax ▶ 10,244 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?		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>		No
c Did the foundation file Form 1120-POL for this year?		
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>		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>		No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		No
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		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?		
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>	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>	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 2019 or the taxable year beginning in 2019? See the instructions for Part XIV. <i>If "Yes," complete Part XIV</i>		No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>		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 ▶ <u>N/A</u>	13	Yes	
14	The books are in care of ▶ <u>KENDRA WARREN</u> Telephone no. ▶ <u>(252) 523-4103</u>			

Located at ▶ PO BOX 189 KINSTON NCZIP+4 ▶ 28502

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 2019, 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 2019? ☐	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 2019, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2019? ☐ 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 2019 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 2019.) ☐	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 2019?	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
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 No
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
LEIGH H MCNAIRY PO BOX 189 KINSTON, NC 28502	PRESIDENT 000.00	0	0	0
JOHN O MCNAIRY PO BOX 189 KINSTON, NC 28502	SEC/TREAS 000.00	0	0	0
KENDRA WARREN PO BOX 189 KINSTON, NC 28502	ASSISTANT SE 000.00	0	0	0
2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."				
(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000.				

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services. ▶		

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ▶	

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	13,737,531
b	Average of monthly cash balances.	1b	873,673
c	Fair market value of all other assets (see instructions).	1c	902,349
d	Total (add lines 1a, b, and c).	1d	15,513,553
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	15,513,553
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	232,703
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	15,280,850
6	Minimum investment return. Enter 5% of line 5.	6	764,043

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	764,043
2a	Tax on investment income for 2019 from Part VI, line 5.	2a	2,236
b	Income tax for 2019. (This does not include the tax from Part VI.).	2b	
c	Add lines 2a and 2b.	2c	2,236
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	761,807
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	761,807
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	761,807

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	730,299
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	730,299
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	2,236
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	728,063

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 2018	(c) 2018	(d) 2019
1 Distributable amount for 2019 from Part XI, line 7				761,807
2 Undistributed income, if any, as of the end of 2019:				
a Enter amount for 2018 only.			723,945	
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2019:				
a From 2014.				
b From 2015.				
c From 2016.				
d From 2017.				
e From 2018.				
f Total of lines 3a through e.				
4 Qualifying distributions for 2019 from Part XII, line 4: ► \$ <u>730,299</u>				
a Applied to 2018, but not more than line 2a			723,945	
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 2019 distributable amount.				6,354
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2019. (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 2018. Subtract line 4a from line 2a. Taxable amount—see instructions.				
f Undistributed income for 2019. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2020.				755,453
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 2014 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2020. Subtract lines 7 and 8 from line 6a.				
10 Analysis of line 9:				
a Excess from 2015.				
b Excess from 2016.				
c Excess from 2017.				
d Excess from 2018.				
e Excess from 2019.				

Part XIV

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2019, enter the date of the ruling.

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(i)(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

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.

Part XV

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	730,299
b <i>Approved for future payment</i>				
Total			3b	

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			14	13,803	
4 Dividends and interest from securities. . . .			14	297,053	
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			1	30,561	134,294
9 Net income or (loss) from special events:					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a INCONIQ _____			25	293	
b CARDINAL SELF-STORAGE _____			25	7,344	
c CALDWELL MILL _____			25	-319	
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e). .				348,735	134,294

[illegible]

Part XVII

- | | Yes | No |
|-------|-----|----|
| 1a(1) | | No |
| 1a(2) | | No |
| 1b(1) | | No |
| 1b(2) | | No |
| 1b(3) | | No |
| 1b(4) | | No |
| 1b(5) | | No |
| 1b(6) | | No |
| 1c | | No |

- (1) Cash.
- (2) Other assets.

- | | | |
|-----|---|--|
| (1) | Sales of assets to a noncharitable exempt organization. | |
| (2) | Purchases of assets from a noncharitable exempt organization. | |
| (3) | Rental of facilities, equipment, or other assets. | |
| (4) | Reimbursement arrangements. | |
| (5) | Loans or loan guarantees. | |
| (6) | Performance of services or membership or fundraising solicitations. | |

- 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]

- 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.

2020-09-21

Date _____

Title

(see instr.) ☒ Yes ☐ No

Print/Type preparer's name MICHAEL L WHITFIELD	Preparer's Signature	Date 2020-09-21	Check if self-employed ☐	PTIN P01564326
Firm's name ▶ SITTERSON & WHITFIELD P A				Firm's EIN ▶ 56-1523260
Firm's address ▶ PO BOX 1399 KINSTON, NC 28503				Phone no. (252) 523-2106

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>				
ACKLAND ART MUSEUM 101 S COLUMBIA STREET CHAPEL HILL, NC 27514			CHARITABLE	5,000
BOYS & GIRLS CLUB OF LENOIR COUNTY 1804 OLD SNOW HILL ROAD KINSTON, NC 28501			CHARITABLE	7,500
BOYS & GIRLS CLUB OF WAKE COUNTY 701 RALEIGH BLVD RALEIGH, NC 27610			CHARITABLE	4,500
Total ▶ 3a				730,299

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>				
CHARLESTON ANIMAL SOCIETY 2455 REMOUNT RD NORTH CHARLESTON, SC 29406			CHARITABLE	250
CHARLESTON LIBRARY SOCIETY 164 KING ST CHARLESTON, SC 29401			CHARITABLE	13,500
CHARLESTON TO CHARLESTON INC PO BOX 1825 CHARLESTON, SC 29402			CHARITABLE	25,000
Total ▶ 3a				730,299

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>				
COMMUNITY COUNCIL FOR THE ARTS PO BOX 3554 KINSTON, NC 28502			CHARITABLE	500
ENOUGH PIE1630 MEETING STREET 306 CHARLESTON, SC 29405			CHARITABLE	500
GOOD FRIENDS OF THE LOW COUNTRY 164 MARKET ST SUITE 137 CHARLESTON, SC 29401			CHARITABLE	5,000
Total ▶ 3a				730,299

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>				
HOPE FOR NEW YORK 1166 AVENUE OF AMERICAS NEW YORK, NY 10018			CHARITABLE	5,000
IBU FOUNDATION183B KING STREET CHARLESTON, SC 29401			CHARITABLE	5,000
LENOIR COMMUNITY COLLEGE PO BOX 188 KINSTON, NC 28502			CHARITABLE	602,000
Total ► 3a				730,299

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>				
LENOIR COUNTY HISTORICAL ASSOC P O BOX 1132 KINSTON, NC 28503			CHARITABLE	500
MUSC FOUNDATION 86 JONATHAN LUCAS ST CHARLESTON, SC 29425			CHARITABLE	250
NORTH CAROLINIANS FOR REDISTRICTING PO BOX 293 RALEIGH, NC 27602			CHARITABLE	15,000
Total ▶ 3a				730,299

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>				
OUTER BANKS RELIEF FOUNDATION INC PO BOX 545 NAGS HEAD, NC 27959			CHARITABLE	500
QUEEN ST UNITED METHODIST CHURCH PO BOX 508 KINSTON, NC 28502			CHARITABLE	21,290
SAINT STEPHEN CHURCH 4600 S WESTERN AMARILLO, TX 79109			CHARITABLE	5,000
Total ▶ 3a				730,299

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>				
SPOLETO FESTIVAL USA14 GEORGE ST CHARLESTON, SC 29401			CHARITABLE	4,000
THE CONFESSING MOVEMENT 7995 EAST 21ST STREET INDIANAPOLIS, IN 46219			CHARITABLE	10,000
K-1 ICONIQ STRATEGIC PARTNERS LP 394 PACIFIC AVE 2ND FLOOR SAN FRANCISCO, CA 94111			CHARITABLE	9
Total ▶ 3a				730,299

TY 2019 Accounting Fees Schedule**Name:** THE HARVEY-MCNAIRY FOUNDATION INC**EIN:** 20-8686982

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING	4,500	4,500		

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

TY 2019 Gain/Loss from Sale of Other Assets Schedule

Name: THE HARVEY-MCNAIRY FOUNDATION INC

EIN: 20-8686982

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
WELLS FARGO TRUST - ST NONCOVERED		PURCHASE			153	156			-3	
WELLS FARGO TRUST - LT NONCOVERED		PURCHASE			77,722	54,661			23,061	
MORGAN STANLEY - ST COVERED		PURCHASE			8,784	9,023			-239	
MORGAN STANLEY - LT COVERED		PURCHASE			24,583	23,660			923	
FRANKLIN STREET ADV - ST COVERED		PURCHASE			220,683	229,078			-8,395	
FRANKLIN STREET ADV - LT COVERED		PURCHASE			461,054	424,074			36,980	
WELLS FARGO 9236 - ST COVERED		PURCHASE			449,064	477,459			-28,395	
WELLS FARGO 9236 - ST NONCOVERED		PURCHASE			47,058	50,609			-3,551	
WELLS FARGO 9236 - LT COVERED		PURCHASE			501,602	507,422			-5,820	
WELLS FARGO 9236 - LT NONCOVERED		PURCHASE			96,811	42,335			54,476	
FROM K-1: CALDWELL MILL - ST		PURCHASE				3,782			-3,782	
FROM K-1: CALDWELL MILL - LT		PURCHASE			8,239				8,239	
FROM K-1: ICONIQ - ST		PURCHASE				2,228			-2,228	
FROM K-1: ICONIQ - LT		PURCHASE			53,925				53,925	
FROM K-1: ICONIQ - NET 1231 GAIN		PURCHASE				8			-8	
MCVEAN		PURCHASE			23,777				23,777	

TY 2019 Investments Corporate Bonds Schedule

Name: THE HARVEY-MCNAIRY FOUNDATION INC

EIN: 20-8686982

Investments Corporate Bonds Schedule

Name of Bond	End of Year Book Value	End of Year Fair Market Value
WELLS FARGO TRUST 4624 - BONDS	671,167	678,876
FRANKLIN STREET 4433 - BONDS	478,166	479,309

TY 2019 Investments Corporate Stock Schedule**Name:** THE HARVEY-MCNAIRY FOUNDATION INC**EIN:** 20-8686982**Investments Corporation Stock Schedule**

Name of Stock	End of Year Book Value	End of Year Fair Market Value
FRANKLIN STREET 4433 - STOCKS	932,290	1,236,578
MORGAN STANLEY 2698	54,501	55,531
MT OLIVE PICKLE	350,000	1,009,250
TWEEDY BROWNE 3192	231,846	593,437
WELLS FARGO 4624	807,129	1,025,654
WELLS FARGO 9236	7,720,350	10,419,758

TY 2019 Investments - Other Schedule**Name:** THE HARVEY-MCNAIRY FOUNDATION INC**EIN:** 20-8686982**Investments Other Schedule 2**

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
MCVEAN DEPOSIT	AT COST	300,093	300,093
ICONIQ STRATEGIC PARTNERS, LP	AT COST	108,485	108,485
CARDINAL SELF STORAGE	AT COST	24,264	24,264
CALDWELL MILL OPP FUND	AT COST	194,997	194,997
KFBSF REAL ESTATE FUND	AT COST		
GOLDMAN SACHS MIDDLE MKT LENDING	AT COST	203,520	228,240
NPC IMPOSSIBLE II. LLC		109,226	109,226

TY 2019 Other Assets Schedule**Name:** THE HARVEY-MCNAIRY FOUNDATION INC**EIN:** 20-8686982**Other Assets Schedule**

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
ESTIMATED TAX PAYMENTS	15,078	12,479	12,479

TY 2019 Other Decreases Schedule

Name: THE HARVEY-MCNAIRY FOUNDATION INC
EIN: 20-8686982

Description	Amount
FEDERAL TAXES PAID	2,599

TY 2019 Other Expenses Schedule**Name:** THE HARVEY-MCNAIRY FOUNDATION INC**EIN:** 20-8686982**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
BANK FEES	105	105		
OTHER MISCELLANEOUS EXPENSES	4,604	4,604		
SUPPLIES & MATERIALS	64			

TY 2019 Other Income Schedule**Name:** THE HARVEY-MCNAIRY FOUNDATION INC**EIN:** 20-8686982**Other Income Schedule**

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
INCONIQ	293		293
CARDINAL SELF-STORAGE	7,344		7,344
CALDWELL MILL	-319		-319

TY 2019 Other Professional Fees Schedule**Name:** THE HARVEY-MCNAIRY FOUNDATION INC**EIN:** 20-8686982

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT FEES	81,302	81,302		
INVESTMENT FEES - PASS THROUGH	4,608	4,608		
CONSULTANT FEE	5,000	5,000		

TY 2019 Taxes Schedule**Name:** THE HARVEY-MCNAIRY FOUNDATION INC**EIN:** 20-8686982

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAX PAID	3,081	3,081		

efile GRAPHIC print - DO NOT PROCESS		As Filed Data -		DLN: 93491273002070	
Schedule B (Form 990, 990-EZ, or 990-PF) Department of the Treasury Internal Revenue Service		Schedule of Contributors ▶ Attach to Form 990, 990-EZ, or 990-PF. ▶ Go to www.irs.gov/Form990 for the latest information.			OMB No. 1545-0047 2019
Name of the organization THE HARVEY-MCNAIRY FOUNDATION INC				Employer identification number 20-8686982	

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 foundation

Check 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 other 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 33¹/₃% 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 990PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization
THE HARVEY-MCNAIRY FOUNDATION INC

Employer identification number
20-8686982

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	JOHN LEIGH MCNAIRY PO BOX 189 KINSTON, NC 28502	\$ 267,354	☒ Person ☐ Payroll ☒ Noncash (Complete Part II for noncash contributions.)
		\$	☐ Person ☐ Payroll ☐ Noncash (Complete Part II for noncash contributions.)
		\$	☐ Person ☐ Payroll ☐ Noncash (Complete Part II for noncash contributions.)
		\$	☐ Person ☐ Payroll ☐ Noncash (Complete Part II for noncash contributions.)
		\$	☐ Person ☐ Payroll ☐ Noncash (Complete Part II for noncash contributions.)
		\$	☐ Person ☐ Payroll ☐ Noncash (Complete Part II for noncash contributions.)
		\$	☐ Person ☐ Payroll ☐ Noncash (Complete Part II for noncash contributions.)
		\$	☐ Person ☐ Payroll ☐ Noncash (Complete Part II for noncash contributions.)

Name of organization THE HARVEY-MCNAIRY FOUNDATION INC	Employer identification number 20-8686982
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Part II Noncash Property			
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
1	428 SHS ARTHUR J GALLAGHER & CO	\$ 33,786	2019-04-02
1	1506 SHS FIRST BANKCORP	\$ 61,144	2019-12-23
1	635 SHS MICROSOFT CORP	\$ 99,955	2019-12-23
1	112 SHS NORTHROP GRUMMAN CORP	\$ 38,990	2019-12-23
-		\$	
-		\$	

Name of organization THE HARVEY-MCNAIRY FOUNDATION INC	Employer identification number 20-8686982
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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	
(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	
(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	
(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	