

THE
GOLDEN L.E.A.F.
(LONG-TERM ECONOMIC
ADVANCEMENT FOUNDATION),
INC.

Report to the
Joint Legislative Commission
on
Governmental Operations

March 1, 2015



(LONG-TERM ECONOMIC ADVANCEMENT FOUNDATION)

JOHNATHAN L. RHYNE, JR.
CHAIRMAN OF THE BOARD

DAN GERLACH
PRESIDENT

TO: Joint Legislative Commission on Governmental Operations
c/o Mr. Timothy Dale
Fiscal Research Division
North Carolina General Assembly
Raleigh, NC

FROM: Dan Gerlach
President

DATE: March 1, 2015

RE: Report to Governmental Operations

In accordance with instructions from the Fiscal Research Division, enclosed are the following:

- (1) An overview of Foundation Activities
- (2) An unaudited statement of the net position of the Foundation as of December 31, 2014, a statement of activities for the six months ended December 31, 2014, and a preliminary budget for FY 2014-2015
- (3) Official audited financial statements for the year ending June 30, 2014
- (4) Tax returns for the Fiscal Year ending June 30, 2014

Enclosures as stated:

cc: The Honorable Pat McCrory, Governor of North Carolina
Senator Phil Berger, President Pro Tem, Senate of North Carolina
Representative Tim Moore, Speaker of the House, N.C. House of Representatives
Johnathan L. Rhyne, Jr., Chairman of the Board 2015, Golden LEAF Foundation
David Kyger, Smith Moore Leatherwood, LLP



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Overview of Foundation Activities

For the period of
January 1, 2014 – December 31, 2014

CY2014 Overview

- Awarded 58 grants totaling \$22,693,517.67.*
- Grants were awarded to support a diverse set of projects across 37 N.C. counties in the following programmatic areas: agriculture, workforce preparedness, job creation and retention, healthcare, scholarships, and educational initiatives.
- Awarded 5 grants totaling \$1,828,644.67 through the Economic Catalyst program that are projected to result in the creation of 658 jobs that were at risk without Golden LEAF support.
- Awarded \$9,679,666 in grants for the first round of Community-Based Grantsmaking Initiative in the Northeast region to support workforce development, infrastructure, education, agriculture, economic development, and health care projects. The Foundation invites counties to apply to participate by Prosperity Zone(s) in this competitive grant program. Over a four year period, the Initiative will reach all regions of the state.
- Provided scholarships through the Golden LEAF Scholars Program to students from rural counties across the state: 215 new scholarships and 535 renewal scholarships were awarded to individuals attending North Carolina public and private universities and colleges and over 1,900 scholarships were provided to help students attend N.C. community colleges.

** Grant amounts reported throughout the report are the current award amounts for grants made during calendar year 2014, reflecting any reductions or adjustments, unless otherwise indicated. These amounts do not include grants that were awarded but rescinded prior to release of funds.*

CY2014 Open Grants Program

The Open Grants Program allows eligible organizations to submit applications for funding year-round. Grantsmaking is focused in the areas of agriculture, job creation and retention, and workforce preparedness. Golden LEAF awarded 33 grants totaling \$5,055,276 to organizations in 25 counties.

Examples

- A \$200,000 grant was awarded to Hugh Chatham Memorial Hospital (HCMH) to assist with transforming a vacant building in Jonesville into a healthcare facility. The facility, which opened January 5, 2015, contains an urgent care center which served 350 patients in its first three weeks of operation. This urgent care center is working to improve community access to immediate, high-quality care for illness and injury. The center also houses Hugh Chatham Corporate Care (HCCC), the occupational medicine program of HCMH. HCCC will work with local employers to reduce healthcare costs, increase productivity, reduce absenteeism, enhance employee morale, and therefore continue attracting and retaining high-quality employees in the Jonesville and Yadkin county business community. HCCC recently completed a screening for a local employer with over 700 employees. The urgent care center will create 20 new jobs with an average annual salary of \$52,272. As of January 28, 2015, the facility had 11 new employees.
- A \$200,000 grant was awarded to Asheville-Buncombe Technical Community College to help launch its Composites Center of Excellence (CCE). GE Aviation has constructed a 175,000-square-foot facility in Asheville that will produce engine components made of advanced composite materials. The CCE will retrain approximately 290 incumbent workers and create 60 new positions at GE Aviation. The CCE will also serve other companies in the area that use composite materials in their manufacturing process. In fall 2014, CCE faculty started training its first cohort of incumbent GE workers. Golden LEAF funds were used to purchase an autoclave and for building improvements at the CCE.

Examples Continued...

CY2014 Open Grants Program

Examples

- A grant of \$175,000 was awarded to North Carolina State University to support the N.C. Choices program, which offers training sessions to meat producers and independent processors in areas such as pasture management, carcass utilization, and financial and business planning. The number of N.C. livestock producers selling meat directly to consumers grew from 42 to 682 between 2006 and 2013. However, a N.C. Choices survey showed many producers struggle to earn a profit and could benefit from business planning and technical assistance. Funds are being used to support project personnel, and for costs related to providing direct assistance and workshops to producers and processors. As of February 2015, four workshops were held training 90 people, 11 people have received one-on-one technical training, and two videos have been created and shared online.
- A grant of \$175,000 was awarded to Northeast Regional School of Biotechnology and Agriscience (NERSBA) to support a unique regional STEM school based on the early college high school model. The school serves students from Beaufort, Martin, Pitt, Washington and Tyrrell counties with the mission of preparing students for entry into the workforce or higher education. The school is focused on biotechnology and agriscience careers using a rigorous technology-enriched environment. Collaborators include the Vernon James Research and Extension Center, Tidewater Research Station, educational agencies and business partners. Funds are being used to support a Director of Technology to coordinate online college courses for students and to transport students to community college and NCSU facilities to complete some lab requirements that NERSBA does not have available on its campus.

CY2014 Economic Catalyst Program

Golden LEAF awarded 5 grants totaling \$1,828,644.67 to organizations in 5 counties in support of job creation and retention projects that are projected to create 658 jobs in N.C. over the next few years. These economic development projects were at risk of not locating or expanding in North Carolina but for Golden LEAF support. Golden LEAF funds fill a funding gap unavailable through state and local programs.

Examples

- A grant of \$385,900 was awarded to the Laurinburg-Maxton Airport Commission to assist with improvements to the water and sewer infrastructure necessary for Cascades Tissue Group, a division of Cascades, Inc., to locate a plant in the Laurinburg-Maxton Airport and Industrial Park. Within three years, Cascades is expected to create 68 new jobs with an average annual wage of \$46,500 plus benefits. In addition, Cascades will retain its existing employment base in North Carolina, including 50 jobs at its Richmond County plant which produces jumbo rolls of paper that will be used to manufacture tissue products at the new plant in Maxton. The project includes a capital investment of over \$55 million. Golden LEAF funds will be used to construct a wastewater pump station and related infrastructure necessary to connect the facility to the wastewater system operated by the Commission, and to install a new well to increase the capacity of the Commission's existing water system to provide sufficient water to meet the requirements of Cascades. As of February 2015, Cascades has begun production at the new facility and has hired over 60 new employees.
- A grant of \$200,000 was awarded to the Town of Wilkesboro to construct water infrastructure that will serve InterFlex North America, a manufacturer of food product packaging. InterFlex is expanding its production facility in Wilkes County and needs improved water supply for new manufacturing lines. The InterFlex expansion will create 63 new jobs that will pay an average annual wage of \$37,854, plus benefits, compared to a County average wage of \$31,512. Another company, PSG Custom Fabricators, LLC, will also be served by the water lines and plans to expand its production capabilities resulting in the creation of an additional 38 jobs. The total cost of the project is approximately \$5.8 million. As of December 2014, Interflex has created 25 jobs.

**Grants are awarded to governmental entities and 501(c)(3) non-profit organizations to support permissible activities that lead to job creation in tobacco-dependent or economically distressed areas.*

CY2014 Community-Based Grantsmaking Initiative

Golden LEAF awarded 14 grants totaling \$9,679,666 to organizations in 10 counties in Northeastern N.C. for projects that address workforce preparedness, infrastructure, education, agriculture, economic development, and health care. The Initiative was launched in the summer of 2013 in the Northeast Prosperity Zone as a continuation of the Foundation's community-based grantsmaking programs. Grant awards are typically limited to 1-3 projects per county and total no more than \$1.5 million per county. This grant program is a competitive process and not all counties in a region will be awarded funds in support of their projects.

- **Examples**

A grant of \$1,500,000 was awarded to Nash County to extend sewer infrastructure to serve a county-owned industrial site and developable land near the I-95 interchange with Hwy 97, including the Hwy 97/Hwy 58 intersection. The industrial park is already served by water and other utility infrastructure, including broadband. Golden LEAF funds will be used for construction.

- A grant of \$1,250,000 was awarded to East Carolina University and its partners to establish the Advanced Manufacturing and Innovation Academy (AMIA) which will deliver hands-on, experiential STEAM (Science, Technology, Engineering, the Arts, and Math) learning opportunities for middle school students (grades 6-8) and middle school teachers. The project is a partnership between East Carolina University, Pitt County Schools, and Pitt Community College and includes one school in Beaufort County and potential work in Edgecombe County. Golden LEAF funds will be used over 2 years for personnel, professional development, equipment, software, transportation and supplies.

- A grant of \$450,000 was awarded to Halifax Community College (HCC) to upgrade and expand its Industrial Maintenance, Machining and Welding programs to support the workforce needs of industry in the college's service area. This project will enhance the training capabilities of the college to address the skills gap identified by industry in recent workforce surveys of new and incumbent workers. Working with local industry, HCC has identified 1,063 vacant positions as well as 2,558 workers that need skills upgraded by 2017. Golden LEAF funds will be used to purchase automated equipment. HCC has started ordering equipment and has hired a program coordinator.

CY2014 Golden LEAF Scholarships

- In CY2014, Golden LEAF awarded \$2,302,000 to the North Carolina State Education Assistance Authority to support a total of 750 scholarships (215 new and 535 renewal) for students to attend 4-year N.C. public and private universities and colleges. Each scholarship is valued at \$3,000 per year.
- The Foundation awarded \$750,000 to the North Carolina Community College System to support over 1,900 new scholarships for students to attend a participating N.C. community college in CY2014. The scholarship provides students with up to \$750 per semester for curriculum and up to \$250 per semester for occupational programs. Funds can be used for tuition and approved educational subsistence.
- In CY2014, Golden LEAF also awarded a \$1,750,000 grant to the Center for Creative Leadership for a leadership development program to train 120 freshmen, 110 sophomore, 66 junior, and 43 senior Golden LEAF Scholarship recipients who are enrolled in 4-year N.C. colleges and universities. The leadership program includes paid summer internships, providing these students with work experiences in rural communities. The goal of the program is to prepare the next generation of leaders and expose students to career opportunities in rural communities.
- Since inception, Golden LEAF has awarded a total of 41 scholarship grants totaling \$32,585,184.39 to assist over 13,700 rural students in our state to attend 2- and 4-year N.C. colleges and universities.
- Scholarships target students who (1) reside in rural N.C. counties that are tobacco-dependent and/or designated economically distressed, and (2) who demonstrate financial need. Recipients may attend the participating N.C. college or university of their choice.

CY2014 Golden LEAF Grants Awarded

Project Area		Number	Amount
Open Grants:	Agriculture	5	\$518,535.00
	Community Asst. & Education	12	\$2,097,939.00
	Economic Development	9	\$1,140,000.00
	Healthcare	2	\$300,000.00
	Workforce Preparedness	5	\$998,802.00
Scholarships/ Scholars Leadership Program		3	\$4,802,000.00
Economic Catalyst		5	\$1,828,644.67
Initiatives:	Agriculture Special Initiative	2	\$227,931.00
	Community-Based Grantsmaking Initiative	14	\$9,679,666.00
	Special Programs Initiative	1	\$1,100,000.00
Total		58*	\$22,693,517.67

* Numbers do not include grants that have been awarded and then rescinded with no grant funds released.

CY2014 Funding Overview

- 190 proposals received
- 58 funded*
- 105 declined*
- 66 pending*
- Maximum Grant – \$2,302,000
- Minimum Grant - \$45,000
- Median Grant Amount - \$200,000

** Includes actions taken in 2014 on proposals received prior to 2014*

Golden LEAF Grants Awarded 2000-2014

Project Area		Number	Amount
Annual/ Open Grants:	Agriculture	230	\$31,252,479.18
	Community Asst. & Education	138	\$29,593,991.28
	Economic Development	122	\$18,078,535.96
	Healthcare	60	\$13,358,655.47
	Tourism	82	\$8,543,890.42
	Workforce Preparedness	101	\$16,710,195.20
Scholarships/ Scholars Leadership Program		46	\$38,060,578.03
Economic Catalyst		105	\$154,380,083.22
Economic Stimulus		16	\$6,543,402.86
Site Certification		20	\$438,695.21
Strategic Initiatives	Aerospace Alliance	6	\$10,231,884.27
	AgBiotech Initiative	4	\$1,140,243.09
	Agriculture Special Initiative	2	\$227,931.00
	Biotechnology	9	\$67,493,935.25
	Community Assistance Initiative	195	\$87,333,524.42
	Community-Based Grantsmaking Initiative	14	\$9,679,666.00
	Essential Skills in Advanced Manufacturing Initiative	23	\$10,948,707.00
	Financial Markets Access	1	\$5,000,000.00
	GLOW	22	\$3,003,239.64
	GLOW-AM (Aerospace)	10	\$4,614,830.40
	Local Foods Initiative	12	\$1,885,677.94
	Rural Broadband Initiative	2	\$24,250,000.00
	Rural Health Care	20	\$3,098,247.14
	Special Programs Initiative	9	\$11,012,000.00
	STEM Initiative	16	\$5,477,019.05
	UNC-CH Initiative	25	\$3,815,620.54
	Total	1,290*	\$566,143,032.57*

**Numbers do not include grants that have been awarded and then rescinded with no grant funds released*

2000-2014 Funding Overview

- 4,843 proposals received
- 1,387 funded*
- 3,390 declined
- 66 pending
- Maximum Grant – \$100,000,000
- Minimum Grant - \$1,000
- Median Grant Amount - \$165,792

213 Active Grants/ 1,174 Closed Grants

** Included in this number are 97 grants that were awarded but were rescinded or terminated prior to release of funds.*

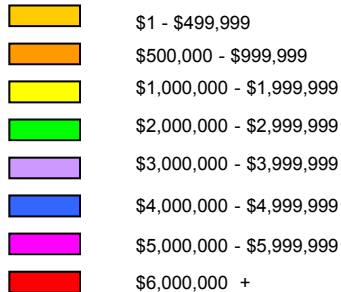
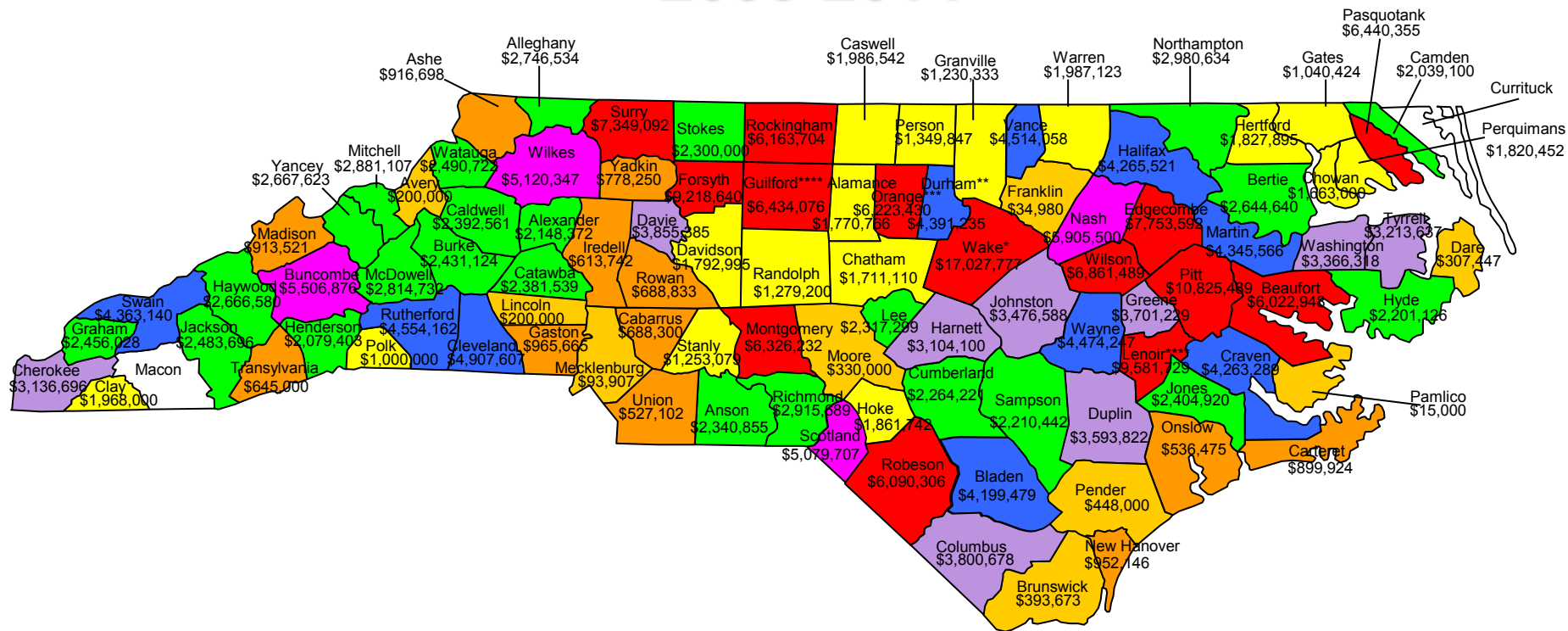
Funds Received by Golden LEAF

(in millions)	MSA Payments	Investment Income	Total Income
FY 2008	\$80	<\$17>	\$63
FY 2009	\$88	<\$142>	<\$54>
FY 2010	\$73	\$67	\$140
FY 2011	\$69	\$122	\$191
FY 2012	\$70	<\$10>	\$61
FY 2013	\$106	\$99	\$205
FY 2014	\$0	\$125	\$125
FY2015*	\$0	<\$6>	<\$6>
Cumulative	\$1,113	\$460	\$1,573

*FY 2015 data reflect activity up to December 31, 2014.
Golden LEAF is on the July 1 – June 30 fiscal year.

Golden LEAF Grants by County

2000-2014



*Wake County - Does not include \$46,294,999 awarded to NCSU and NCCCS for the Biotech Initiative; \$12,367,794 awarded to NCCCS and NCICU for scholarships; \$3,552,618 awarded to North Carolina state agencies such as the NC Department of Agriculture; \$22,072,721 awarded to NCSU for projects throughout the state; or \$400,000 awarded to the NC Department of Commerce for the GLF Rural Broadband project

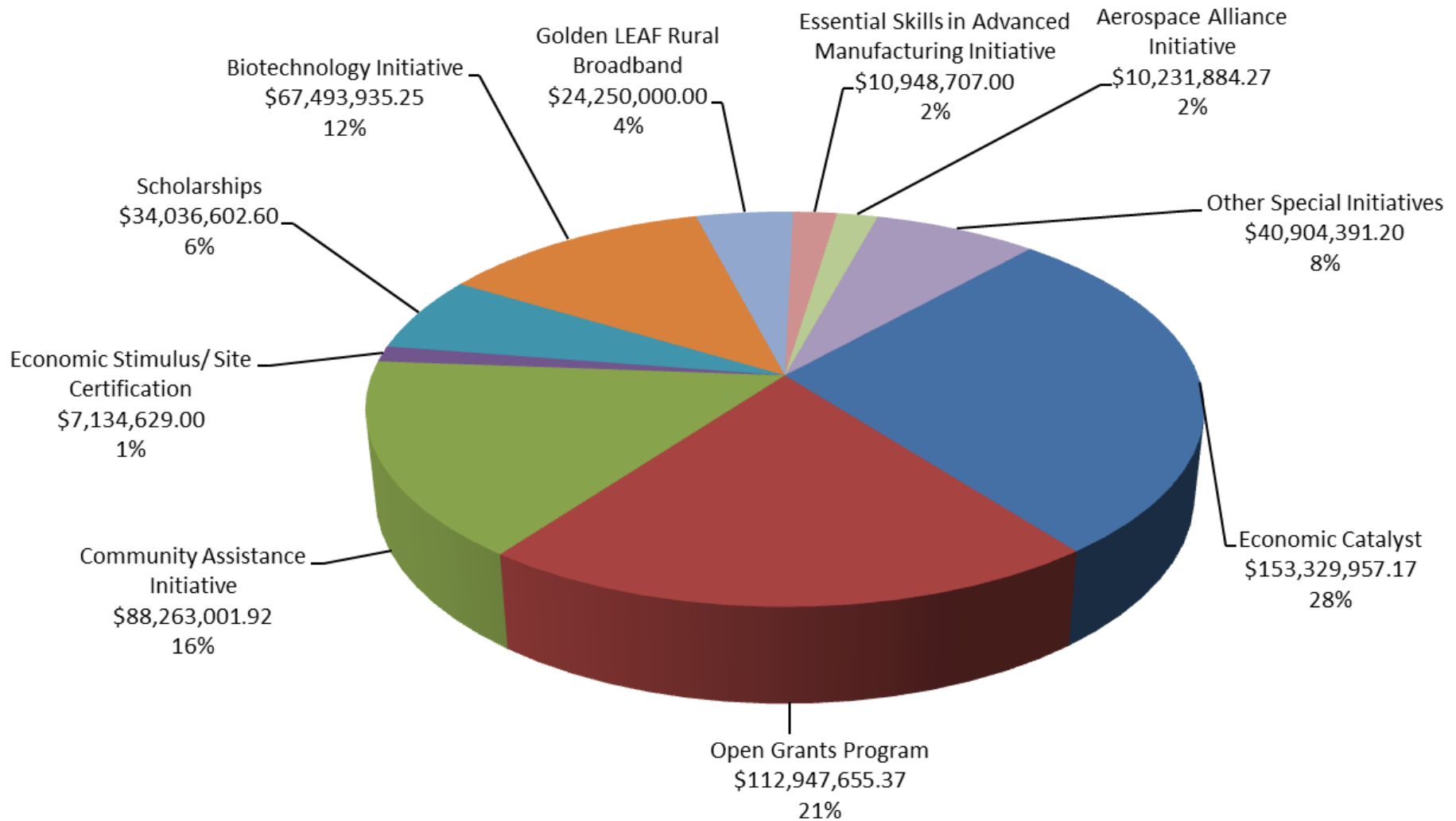
**Durham County - Does not include \$21,168,441 awarded to NCCU for the Biotech Initiative, \$5,000,000 awarded to Self-Help for loan loss prevention, \$8,596,738 to NCSEAA for scholarships or \$23,850,000 to MCNC for the GLF Rural Broadband project

***Orange County - Does not include \$11,620,652 awarded to UNC General Administration for scholarships or \$30,496 to UNC-GA for the Biotech Initiative

****Lenoir County - Does not include the \$100,000,000 grant awarded to the NC Global TransPark Authority for the project "Marco Polo" involving Spirit AeroSystems

*****Guilford County - Does not include \$5,807,414 awarded to the Center for Creative Leadership for the GLF Scholars Leadership Program

Golden LEAF Grants by Program Area 2000-2014



Golden LEAF Impact Data

Impact Data as Reported by Grantees	Amount Reported	
	‡CY2014	Cumulative as of 12/31/2014
Jobs Created/Retained	2,421	54,511
People Trained/Worker Skills Upgraded	4,898	58,678
†Industry/3 rd -party Credentials Earned	1,142	1,607
†Degree/Diploma/Certificates Earned	252	634
New Payroll	\$64,391,761	\$424,353,081

‡Incremental impact for reports reviewed for CY2014

†New measure beginning CY2013

Planned Activities and Goals for 2015

- Provide funding for economic development projects across N.C. that create jobs and add investment. The demand for these grants is growing compared to 2014.
- Continue the strong partnership with the Department of Commerce and the Economic Development Partnership of N.C. to ensure effective and efficient use of limited economic development resources.
- Provide funding support for community-based grants in the Sandhills and Northwest Prosperity Zones, and begin work in the Western and Southeastern Prosperity Zones. All counties across N.C. will have a chance to participate in the Initiative within a four-year period.
- Give support to promising strategies that don't fit traditional grant categories.
- Provide extraordinary assistance to transformational projects.
- Establish clear benchmarks and better defined links between grantsmaking and the Golden LEAF mission.

Financial Statements

The Golden L.E.A.F., Inc.
Statement of Net Position
December 31, 2014

Assets

Cash and cash equivalents	\$ 690,724
Investments	924,779,382
Sales tax refund and other receivables	1,998
Notes receivable	227,568
Prepaid items	66,390
Fixed assets:	
Land	900,256
Land improvements	3,650
Buildings	3,268,069
Equipment	105,350
Furniture and fixtures	114,362
	<u>4,391,687</u>
Accumulated depreciation	<u>(765,215)</u>
	<u>3,626,472</u>
Total assets	<u><u>\$ 929,392,532</u></u>

Liabilities

Accounts payable and accrued liabilities:	
Accounts payable	\$ 57,906
Accrued liabilities	41,879
Grants payable	57,355,227
Total liabilities	<u>57,455,012</u>

Net position

Invested in capital assets, net of related debt	3,626,472
Unrestricted	869,311,049 *
	<u>872,937,521</u>
Total liabilities and net position	<u><u>\$ 930,392,532</u></u>

*Note: The Foundation is committed to \$61.8 million in future investments via private partnership agreements.

The Golden L.E.A.F., Inc.
Statement of Activities
For the Six Months Ended December 31, 2014

Revenues:	
Proceeds from state settlement	\$ -
Investment loss	(6,190,010)
Other income	3,279
Total revenues	<u>(6,186,732)</u>
Expenses:	
Grant distributions	5,145,918
Administrative costs	1,137,246
Depreciation expense	47,335
Loss on sale of fixed assets	288
Unrelated business income tax	20,528
Total expenses	<u>6,351,315</u>
Excess of revenues over expenses	(12,538,047)
Net assets, at beginning of period	885,475,568
Net assets, at end of period	<u><u>\$ 872,937,521</u></u>

The Golden L.E.A.F., Inc.
Preliminary Administrative Budget
FY2015

Operating Budget

Board of Director Expenses	
Bd of Directors Expenses	\$ 14,000
Bd of Directors Per Diem	13,000
Board Meetings	30,000
Total Board of Director Expenses	<u>57,000</u>
Depreciation Expense	95,255
Insurance	
Property	4,918
Directors & Officer's Liability	19,035
Workers Comp Insurance	2,600
Total Insurance	<u>26,553</u>
Miscellaneous and Bank Charges	900
Occupancy Expenses	
Maintenance	32,900
Utilities	33,300
Total Occupancy Expenses	<u>66,200</u>
Office Operations Expenses	
Equipment Rental	844
Office Supplies	19,300
Postage and Freight	3,000
Total Office Operations Expenses	<u>23,144</u>
Personnel Expenses	
Employee Insurance & Benefits	
Dental Insurance	14,244
Disability Insurance	9,480
Life Insurance	5,064
Medical Insurance	179,932
Retirement	134,761
Total Employee Insurance & Benefits	<u>343,481</u>
Salaries	1,376,404
Salary Reserve	120,000
Staff Development	6,826
Taxes-Payroll	97,795
Travel & Meetings	47,000
Total Personnel Expenses	<u>1,991,506</u>

The Golden L.E.A.F., Inc.
Preliminary Administrative Budget
FY2015 (continued)

Professional Fees	
Accounting	-
Audit & Tax Return	40,000
Technical Consulting	500
Communication Expense	10,000
Dues & Memberships	7,500
Legal Fees	
NC Dept. of Justice	-
Management Consulting	-
Payroll Services	2,594
Professional Fees - Other	-
Total Professional Fees	250,594
Meetings - Facilities	1,000
Meetings - Meals	500
Proposal Review	0
Total Program Expenses	1,500
Technology	
Software	21,539
Maintenance	24,372
Supplies Expense	-
Telephone-Long Distance/Local	18,000
Total Technology	65,411
Total Expenditures	\$ 2,578,063
Capital Budget	
Buildings	-
Furniture	\$ -
Computers and equipment	\$ 16,800
	\$ 16,800

Audited Financials



**The Golden L.E.A.F.
(Long-term Economic Advancement
Foundation), Inc.**

Financial Statements and Other Report
Years Ended June 30, 2014 and 2013

**The Golden L.E.A.F.
(Long-term Economic Advancement Foundation), Inc.**

Financial Statements and Other Report
Years Ended June 30, 2014 and 2013

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

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Independent Auditor's Report

To the Board of Directors
The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of the government activities and general fund of the Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc. (the "Foundation"), a component unit of the State of North Carolina, as of the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and general fund of the Foundation as of June 30, 2014 and 2013, and the respective changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 5 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2014 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

BDO USA, LLP

September 30, 2014



Our discussion and analysis of The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc. (the "Foundation") provides an overview of the Foundation's financial activities. Please read it in conjunction with the Foundation's financial statements.

Overview

In 1999, the North Carolina General Assembly created The Golden L.E.A.F., Inc. to administer one-half of North Carolina's (the "State") share of the Master Settlement Agreement (MSA) with cigarette manufacturers. A nonprofit organization devoted to the economic well-being of North Carolinians, the Foundation endeavors to strengthen the State's economy through diverse grant making.

Financial Highlights

- The total assets of the Foundation increased by \$59.7 million during 2014 from \$900.8 million at June 30, 2013 to \$960.5 million at June 30, 2014.
- The Foundation ended 2014 with investments and cash and cash equivalents totaling \$956.5 million, an increase of \$59.7 million from 2013.
- The Foundation received no proceeds from the Master Settlement Agreement (MSA) in 2014 compared to \$105.6 million in 2013. Proceeds from the MSA were the primary source of revenue for the Foundation during the prior year.
- The Foundation's investment portfolio generated \$124.7 million of investment income in 2014 compared to \$99.1 million in 2013. The Foundation's investment assets returned 13.9% compared to 12.6% in 2013. The increase in investment earnings reflects broader market performance and value added from the Foundation's asset allocation. The S&P 500 Index (domestic equities) returned 24.6% in fiscal year 2014 compared with 20.7% in fiscal year 2013. The MSCI EAFE Index (international equities) returned 23.6% in fiscal year 2014 versus a return of 18.6% in the prior year. Barclays Aggregate Index (fixed income) returned 4.4% in fiscal year 2014 compared with (0.7%) in fiscal year 2013 and the HFRI Index (hedge funds) returned 9.1% in fiscal year 2014 versus 8.3% in fiscal year 2013.
- The Foundation awarded grants of \$32.2 million in 2014, a decrease of 30.1% from 2013. In addition to \$15.3 million in grants awarded through the Foundation's Open Grants Program, Economic Catalyst Cycle, scholarship and other programs, grants were awarded to support the following special initiatives:

Community Assistance Initiative - \$4.2 million: Foundation staff and board work directly with the State's most distressed communities to understand community priorities and challenges and assist those communities in establishing a priority list of proposals for funding consideration. This initiative ended in October 2013.

Community Based Grantsmaking Initiative - \$9.7 million: Launched in the summer of 2013 as a continuation of the Foundation's community-based grantsmaking and as a response to completion and evaluation of the Community Assistance Initiative, this initiative is designed to identify projects supporting economic growth that are ready

for implementation and have the potential to have a significant impact in the areas of agriculture, health care employment, infrastructure, economic development, workforce training and education. The Foundation will invite all counties to apply to participate in the initiative by region, which is anticipated to take four years to complete.. It is a competitive process, but all counties within a designated region will have an opportunity to apply to participate. The \$9.6 million awarded in 2013-14 was to serve projects in the Northeast Prosperity Zone.

Essential Skills in Advanced Manufacturing - \$3.0 million - This workforce development grant initiative is aimed at closing the skills gap by supporting collaborative programs that increase the talent pool of a highly skilled, technical workforce aligned with identified employment opportunities of industries located in tobacco-dependent, economically distressed and/or rural communities in N.C.

The Foundation made grant payments of \$38.3 million in 2014, putting these dollars to work in tobacco-dependent, economically distressed and/or rural communities in North Carolina. The Foundation made grant payments totaling \$40.3 million in fiscal year 2013.

- Administrative costs were \$2.3 million in 2014, a decrease of approximately \$85,000 from 2013.

Using This Annual Report

This annual report consists of two financial statements. The Statements of Net Position and Governmental Fund Balance Sheets show the assets, liabilities and fund balance/net position at June 30, 2014 and 2013. The Statements of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance show the revenues, expenditures, and changes in fund balance/net position for the fiscal years ended June 30, 2014 and 2013. The Notes to Financial Statements contain additional information that is essential to a full understanding of the data in the financial statements.

Statements of Net Position and Governmental Fund Balance Sheets

Condensed Statements of Net Position and Governmental Fund Balance Sheets:

<i>June 30,</i>	2014	2013	2012
Assets			
Current assets	\$ 956,849,074	\$ 897,044,517	\$ 793,382,903
Capital assets—nondepreciable	903,906	903,906	908,131
Capital assets—depreciable, net	2,753,853	2,832,758	2,896,429
Total Assets	\$ 960,506,833	\$ 900,781,181	\$ 797,187,463
Total Liabilities	\$ 75,031,265	\$ 87,667,715	\$ 84,625,928
Fund Balance/Net Position			
Invested in capital assets	3,657,759	3,736,664	3,804,560
Unassigned/Unrestricted	881,817,809	809,376,802	708,756,975
Total Fund Balance/Net Position	885,475,568	813,113,466	712,561,535
Total Liabilities and Fund Balance/Net Position	\$ 960,506,833	\$ 900,781,181	\$ 797,187,463

2014

Total assets at June 30, 2014 were \$960.5 million, an increase of approximately \$59.7 million from June 30, 2013. The assets of the Foundation are comprised mainly of investments and cash and cash equivalents. The total of investments, cash and cash equivalents at June 30, 2014 was \$956.5 million, compared to \$896.8 million at June 30, 2013. This increase resulted primarily from investment income net of payments for grants and other expenditures. Net capital assets remained flat at \$3.7 million at June 30, 2014 and 2013.

The liabilities of the Foundation are comprised primarily of grants payable. Grants payable totaled \$74.9 million at June 30, 2014, compared to \$87.5 million at June 30, 2013. This decrease resulted primarily from grant payments of current and prior year awards of \$38.3 million outpacing current year grant awards of \$32.2 million. In addition, grant awards totaling \$6.4 million were rescinded in 2014.

The Net Position section of the Statements of Net Position and Governmental Fund Balance Sheets shows the amount of the assets of the Foundation, less its liabilities. There were no board designations of net position at June 30, 2014.

2013

Total assets at June 30, 2013 were \$900.8 million, an increase of approximately \$103.6 million from June 30, 2012. The assets of the Foundation are comprised mainly of investments and cash

and cash equivalents. The total of investments, cash and cash equivalents at June 30, 2013 was \$896.8 million, compared to \$793.3 million at June 30, 2012. This increase resulted primarily from MSA proceeds plus investment income net of payments for grants and other expenditures. Net capital assets decreased to \$3.7 million at June 30, 2013 from \$3.8 million at June 30, 2012, primarily as the result of depreciation (see Note 3 to the financial statements).

The liabilities of the Foundation are comprised primarily of grants payable. Grants payable totaled \$87.5 million at June 30, 2013, compared to \$84.5 million at June 30, 2012. This increase resulted primarily from grant awards of \$46.0 million in 2013 net of \$40.3 million of grant payments. Grant awards totaling \$2.7 million were rescinded in 2013.

The Net Position section of the Statements of Net Position and Governmental Fund Balance Sheets shows the amount of the assets of the Foundation, less its liabilities. There were no board designations of net position at the end of 2013.

Statements of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance

Condensed Statements of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance:

<i>Years ended June 30,</i>	2014	2013	2012
Total Revenues	\$ 124,705,075	\$ 204,668,748	\$ 60,850,673
Total Expenditures/Expenses	52,342,973	104,116,817	52,824,617
Change in Fund Balance/Net Position	72,362,102	100,551,931	8,026,056
Fund Balance/Net Position, beginning of year	813,113,466	712,561,535	704,535,479
Fund Balance/Net Position, end of year	\$ 885,475,568	\$ 813,113,466	\$ 712,561,535

These statements show the revenues and the expenses of the Foundation for the years ended June 30, 2014, 2013 and 2012, and the corresponding effect on fund balance/net position.

2014

Total revenues (investment earnings and other income) were \$124.7 million in 2014 and \$204.7 million in 2013.

The Foundation received no MSA payments in 2014 compared to receipts of \$105.6 million in 2013.

The Foundation had net investment income of \$124.7 million in 2014 compared to \$99.1 million in 2013.

Total expenditures/expenses were \$52.3 million in 2014 and \$104.1 million in 2013.

Grant disbursements represent grants awarded net of grants rescinded and grant funds returned. Grants were awarded (excluding grants rescinded or returned) in the amount of \$32.2 million during 2014 and \$46.0 million in 2013.

Other expenses represent payments to the State of North Carolina in the amount of \$24.6 million in 2014 and \$59.4 million in 2013.

Administrative costs were \$2.3 million in 2014 and \$2.4 million in 2013.

Depreciation expense was approximately \$100,000 in 2014 and \$105,000 in 2013.

2013

Total revenues (MSA receipts, investment earnings, and other income) were \$204.7 million in 2013 and \$60.9 million in 2012.

The Foundation received \$105.6 million in proceeds from the state settlement (or MSA receipts) in 2013 and \$70.5 million in 2012. The increase was due to the receipt of proceeds from the settlement of the 2003 NPM Adjustment arbitration. The calculation of the MSA receipts that are received by the Foundation is affected by, among other things, an inflation adjustment and a volume adjustment. These factors are out of the control of the Foundation.

The Foundation had net investment income of \$99.1 million in 2013 compared to net investment losses of \$9.6 million in 2012.

Total expenses were \$104.1 million in 2013 and \$52.8 million in 2012.

Grant disbursements represent grants awarded net of grants rescinded and grant funds returned. Grants were awarded (excluding grants rescinded or returned) in the amount of \$46.0 million during 2013 and \$44.7 million in 2012.

Other expenses represent payments to the State of North Carolina in the amount of \$59,445,436 in 2013 and \$17,563,760 in 2012.

Administrative costs were \$2.4 million in 2013 and \$2.3 million in 2012.

Depreciation expense was approximately \$105,000 in 2013 and \$107,000 in 2012.

Notes to Financial Statements

The reader is referred to these notes for a more complete understanding of the financial statements of the Foundation. They contain a summary of the significant accounting policies as well as other information.

Requests for Information

This report is designed to provide a general overview of the Foundation's finances and to show the Foundation's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to The Golden L.E.A.F. Foundation, 301 N. Winstead Ave., Rocky Mount, NC 27804.

Financial Statements

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Statement of Net Position and Governmental Fund Balance Sheet

<i>June 30, 2014</i>	General Fund	Reclassifications and Eliminations (Note 5)	Statement of Net Position
Assets			
Cash and cash equivalents	\$ 636,364	\$ -	\$ 636,364
Sales tax refund and other receivables	325	-	325
Note receivable	227,568	-	227,568
Prepaid items	89,554	-	89,554
Investments	955,895,263	-	955,895,263
Capital assets—nondepreciable	-	903,906	903,906
Capital assets—depreciable, net	-	2,753,853	2,753,853
Total Assets	\$ 956,849,074	\$ 3,657,759	\$ 960,506,833
Liabilities			
Accounts payable	\$ 90,430	\$ -	\$ 90,430
Accrued liabilities	44,139	-	44,139
Grants payable	74,896,696	-	74,896,696
Total Liabilities	75,031,265	-	75,031,265
Fund Balance/Net Position			
Nonspendable prepaid items	89,554	(89,554)	-
Net investment in capital assets	-	3,657,759	3,657,759
Unassigned/unrestricted	881,728,255	89,554	881,817,809
Total Fund Balance/Net Position	881,817,809	3,657,759	885,475,568
Total Liabilities and Fund Balance/ Net Position	\$ 956,849,074	\$ 3,657,759	\$ 960,506,833

See accompanying notes to financial statements.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Statement of Net Position and Governmental Fund Balance Sheet

<i>June 30, 2013</i>	General Fund	Reclassifications and Eliminations (Note 5)	Statement of Net Position
Assets			
Cash and cash equivalents	\$ 327,381	\$ -	\$ 327,381
Sales tax refund and other receivables	1,695	-	1,695
Note receivable	167,179	-	167,179
Prepaid items	89,791	-	89,791
Investments	896,458,471	-	896,458,471
Capital assets—nondepreciable	-	903,906	903,906
Capital assets—depreciable, net	-	2,832,758	2,832,758
Total Assets	\$ 897,044,517	\$ 3,736,664	\$ 900,781,181
Liabilities			
Accounts payable	\$ 105,995	\$ -	\$ 105,995
Accrued liabilities	38,628	-	38,628
Grants payable	87,523,092	-	87,523,092
Total Liabilities	87,667,715	-	87,667,715
Fund Balance/Net Position			
Nonspendable prepaid items	89,791	(89,791)	-
Net investment in capital assets	-	3,736,664	3,736,664
Unassigned/unrestricted	809,287,011	89,791	809,376,802
Total Fund Balance/Net Position	809,376,802	3,736,664	813,113,466
Total Liabilities and Fund Balance/ Net Position	\$ 897,044,517	\$ 3,736,664	\$ 900,781,181

See accompanying notes to financial statements.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Statement of Activities and Governmental Fund Revenues,
Expenditures, and Changes in Fund Balance

<i>Year ended June 30, 2014</i>	General Fund	Reclassifications and Eliminations (Note 5)	Statement of Activities
Revenues			
Investment income	\$ 124,700,533	\$ -	\$ 124,700,533
Gain on capital assets	-	44	44
Other income	4,498	-	4,498
Total Revenues	124,705,031	44	124,705,075
Expenditures/Expenses			
Grant distributions	25,253,861	-	25,253,861
Administrative costs	2,349,701	-	2,349,701
Capital outlays	22,251	(22,251)	-
Depreciation expense	-	100,054	100,054
Other expenses	24,639,357	-	24,639,357
Total Expenditures/Expenses	52,265,170	77,803	52,342,973
Excess Revenues Over (Under) Expenditures/Expenses	72,439,861	(77,759)	72,362,102
Other Financing Sources			
Proceeds from sale of capital assets	1,146	(1,146)	-
Change in Fund Balance/Net Position	72,441,007	(78,905)	72,362,102
Fund Balance/Net Position, beginning of year	809,376,802	3,736,664	813,113,466
Fund Balance/Net Position, end of year	\$ 881,817,809	\$ 3,657,759	\$ 885,475,568

See accompanying notes to financial statements.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Statement of Activities and Governmental Fund Revenues,
Expenditures, and Changes in Fund Balance

<i>Year ended June 30, 2013</i>	General Fund	Reclassifications and Eliminations (Note 5)	Statement of Activities
Revenues			
Proceeds from state settlement	\$ 105,581,136	\$ -	\$ 105,581,136
Investment income	99,082,410	-	99,082,410
Other income	5,202	-	5,202
Total Revenues	204,668,748	-	204,668,748
Expenditures/Expenses			
Grant distributions	42,129,687	-	42,129,687
Administrative costs	2,434,941	-	2,434,941
Capital outlays	38,857	(38,857)	-
Loss on capital assets	-	1,422	1,422
Depreciation expense	-	105,331	105,331
Other expenses	59,445,436	-	59,445,436
Total Expenditures/Expenses	104,048,921	67,896	104,116,817
Excess Revenues Over (Under) Expenditures/Expenses	100,619,827	(67,896)	100,551,931
Change in Fund Balance/Net Position	100,619,827	(67,896)	100,551,931
Fund Balance/Net Position, beginning of year	708,756,975	3,804,560	712,561,535
Fund Balance/Net Position, end of year	\$ 809,376,802	\$ 3,736,664	\$ 813,113,466

See accompanying notes to financial statements.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The following is a summary of the significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

The Golden L.E.A.F. (Long-Term Economic Advancement Foundation), Inc. (the Foundation) is a not-for-profit corporation ordered to be established by the consent Decree and Final Judgment in *the State of North Carolina vs. Philip Morris Incorporated, et al.*

The Foundation was established for the purpose of receipt and distribution of fifty percent of the funds allocated to the North Carolina State Specific Account, such funds to be used to provide economic impact assistance to economically affected or tobacco-dependent regions of North Carolina.

For financial reporting purposes, the Foundation is deemed to be a nonmajor component unit of the State of North Carolina, and is included as such in the State of North Carolina Comprehensive Annual Financial Report. The Foundation is governed by a 15-member board, all of whom are appointed by either the Governor, President Pro Tempore of the Senate, or the Speaker of the House. The Foundation provides grants to State agencies and component units, creating a financial benefit/burden relationship.

Basis of Presentation

These financial statements have been prepared in conformity with the accounting principles and reporting guidelines established by the Government Accounting Standards Board (GASB).

General Fund

The general fund is used to account for all revenues and expenses applicable to the general operations of the Foundation that are not required either legally or by governmental accounting standards to be accounted for in another fund.

Basis of Accounting

The Foundation follows the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are earned and expenses are recorded when the liability is incurred.

The Foundation's primary source of revenue is the funds received by the State of North Carolina under the settlement of the lawsuit noted above. Revenues are recorded upon receipt of the funds by the State of North Carolina and classified as proceeds from state settlement in the Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance. Beginning in 2006, some of the participating manufacturers in the Master Settlement Agreement (MSA) withheld a portion of their payment because they believed they were entitled to a Non-Participating Manufacturer Adjustment as described in Section IX(d) of the MSA. This matter was arbitrated as provided in the MSA and proceeds from the settlement of the arbitration were received by the Foundation in April 2013.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Notes to Financial Statements

Budgetary Requirement

The Foundation's enabling legislation requires that the Foundation's Board of Directors consult with the Joint Legislative Commission on Governmental Operations prior to adopting an annual operating budget. As of June 30, 2014, the Foundation's Board of Directors has adopted a preliminary budget only for the general fund on a basis consistent with generally accepted accounting principles, subject to finalization after the Foundation consults with the Joint Legislative Commission on Government Operations. Budgetary control is expected to be at the object of expense classification level (personal services, operating expenditures, capital outlay). Budgetary changes within expense classifications are expected to be made at the discretion of the Foundation.

Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets consist of capital assets, less accumulated depreciation. Net position is reported as restricted when there are limitations imposed on their use through legislation, legal responsibility or third-party requirement, which restrict the use of funds to a specific purpose. Funds received from the North Carolina State Specific Accounts are unrestricted, but are invested as directed by the Board of Directors, with the income from investment being used for operating expenses and to fund grants.

Fund Balance

Fund balance represents the difference between assets and liabilities in the governmental fund financial statements. The Foundation's fund balance is classified in the following categories:

- Nonspendable fund balance represents amounts that cannot be spent due to legal requirements or because it is not in spendable form. The Foundation reports nonspendable fund balance for prepaid expenditures.
- Unassigned fund balance is the residual fund balance of the general fund.

Investments

Investments include obligations of governments, long-duration fixed income investments, listed securities such as common stocks, SEC-registered mutual funds, absolute return funds, private equity limited partnerships, real asset limited partnerships, real estate investment trusts, money market funds and certificates of deposit. Investments are accounted for at fair value. Fair value for investment assets with readily determinable market values are based on quoted market prices. For certain international equity funds, absolute return funds, private equity limited partnerships, and real asset limited partnerships without a readily determinable fair value, the investment is reported at estimated fair value as determined by the underlying asset's manager. The investment asset managers estimate current fair value of nonpublicly traded assets in their portfolios taking into consideration the financial performance of the issuer, cash flow analysis, recent sales prices, market comparable transactions, a new round of financing, a change in economic conditions and other pertinent information. The Foundation reviews the values provided by the asset managers as well as the assumptions used in determining fair value. These investment values may differ from the values that would have been used had a ready market for these investments existed and

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Notes to Financial Statements

differences could be material. The financial statements of these investments are audited at least annually (typically at December 31) by independent auditors. At June 30, 2014, fair value of investments based on other than quoted market prices was \$560.0 million.

Realized investment gains and losses are determined using the specific identification basis and are recorded as investment income in the Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance. Changes in net unrealized gains and losses are also recognized as a component of investment income.

Capital Assets

Generally, capital assets are defined by the Foundation as assets with an initial value or cost greater than or equal to \$500 and an estimated useful life of two or more years. Capital assets are stated at cost less accumulated depreciation. Estimated useful lives are five years for equipment, seven years for furniture and fixtures and ten to forty years for buildings.

Prepaid Insurance

The Foundation allocates the cost of insurance between the related accounting periods. Amounts paid for services not yet provided are recorded as prepaid and amortized over the service period.

Grants Payable

The Foundation records grants payable when the Board of Directors approves the grant. The Programs Committee (a subset of the Board of Directors) evaluates the grant applications and makes recommendations to the entire Board of Directors. Applicants that are chosen by the Board of Directors must fill out and sign a "Grantee Acknowledgement and Agreement" which stipulates guidelines and related requirements. Several requirements must be met by the grantees prior to the disbursement of funds.

Income Taxes

The Foundation is a not-for-profit organization that is exempt from federal income taxes under Section 501(a) as an organization described in Section 501(c)(3) of the Internal Revenue Code.

New Accounting Pronouncements

In March 2012, the GASB issued GASB 65, *Items Previously Reported as Assets and Liabilities* (GASB 65). GASB 65 clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. GASB Concepts Statement No. 4, *Elements of Financial Statements* (CON 4), specifies that recognition of deferred outflows and deferred inflows should be limited to those instances specifically identified in authoritative GASB pronouncements. Consequently, guidance was needed to determine which balances being reported as assets and liabilities should actually be reported as deferred outflows of resources or deferred inflows of resources, according to the definitions in CON 4. Based on those definitions, GASB 65 reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, GASB 65 recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Notes to Financial Statements

GASB 65 is effective for financial statement for periods beginning after December 15, 2012. The Foundation adopted GASB 65 in the 2014 fiscal year. The adoption of GASB 65 did not have a material impact to the Foundation's 2014 financial statements.

2. Cash and Investments

The Foundation considers highly liquid temporary cash investments with a maturity of three months or less when purchased to be cash equivalents. However, cash investments with a maturity of three months or less that were purchased with the intent to be maintained as an investment are classified as investments.

According to the Foundation's investment policy adopted by the Board of Directors, the Foundation may invest in any of the following broad asset classes: domestic equities; real estate; mutual funds; foreign equities; fixed income securities; cash equivalents; and alternatives.

The Foundation maintained no direct investments in derivatives at June 30, 2014 and 2013.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Foundation has no policy that contains requirements that would limit the exposure to custodial credit risk for deposits. At June 30, 2014, the carrying amount of the Foundation's deposits was \$636,364 and the bank balance, excluding in-transit items, was \$776,272. Of the bank balance, \$574,698 was covered by Federal Depository Insurance and \$201,574 was uninsured and uncollateralized.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Foundation monitors the interest rate risk inherent in its portfolio by measuring the effective duration of its portfolio. The Foundation has no specific limitations with respect to duration. At June 30, 2014, the Foundation had investments in U.S. Treasuries with an average duration of 5.54 years and fair value of \$55.9 million and investments in two fixed income security funds with an average duration of 1.90 years and fair value of \$57.3 million. The Foundation also had an investment in a money market fund with a fair value of \$30.8 million at June 30, 2014, and duration of 0.08 years.

Credit risk is the risk that an issuer of an investment will not fulfill its obligations. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Foundation's investment policy has no specific limitations with respect to credit quality, but provides that approximately 50% of the fixed income allocation will be allocated to U.S. Treasury strategies. At June 30, 2014, the Foundation had an investment in an unrated fixed income fund with a fair value of \$44.1 million and an investment in a fixed income fund rated BAA- with a fair value of \$13.2 million.

At June 30, 2014, the Foundation had an investment in a money market fund rated AAA with fair value of \$30.8 million.

For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the Foundation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Foundation has no written policy on custodial credit risk; however, based on the nature of the investments the Foundation currently holds, management does not consider custodial risk to be significant.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Notes to Financial Statements

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Foundation's investment policy does not limit the amount invested in foreign currency-denominated investments.

The Foundation's investments are summarized below:

<i>June 30,</i>	2014	%	2013	%
U.S. Treasuries	\$ 55,921,054	5.85	\$ 54,299,138	6.06
Fixed income funds	57,281,968	5.99	49,003,271	5.47
Domestic stocks and equity funds	128,064,041	13.40	140,668,553	15.69
International stocks and equity funds	212,353,719	22.21	192,434,322	21.47
Absolute return funds	216,475,558	22.65	188,741,695	21.05
Private equity limited partnerships	86,597,736	9.06	81,700,591	9.11
Real estate and other real asset funds	168,324,586	17.61	153,383,240	17.11
Money market funds	30,776,601	3.22	36,127,661	4.03
Certificates of deposit	100,000	.01	100,000	0.01
Total Investments	\$ 955,895,263	100.00	\$ 896,458,471	100.00

The following summarizes the investment return and its classification in the Statements of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance:

<i>Year ended June 30,</i>	2014	2013
Dividends and interest	\$ 9,504,307	\$ 11,250,562
Net realized gains	33,023,860	29,549,934
Net unrealized gains	84,814,497	60,510,203
Management fees	(2,642,131)	(2,228,289)
Total investment income	\$ 124,700,533	\$ 99,082,410

The calculation of realized gains and losses is independent of a calculation of the net change in the fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and sold in the current year were included as a change in the fair value of investments reported in the prior years and current year.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Notes to Financial Statements

3. Capital Assets

A summary of the activity related to the capital assets follows:

	Balance June 30, 2013	Additions	Disposals	Balance June 30, 2014
Capital assets—nondepreciable:				
Land	\$ 900,256	\$ -	\$ -	\$ 900,256
Land improvements	3,650	-	-	3,650
Total capital assets—nondepreciable	903,906	-	-	903,906
Capital assets—depreciable:				
Buildings	3,268,069	-	-	3,268,069
Equipment	87,409	22,251	(10,766)	98,894
Furniture and fixtures	114,362	-	-	114,362
Total capital assets—depreciable	\$ 3,469,840	\$ 22,251	\$ (10,766)	\$ 3,481,325
Less accumulated depreciation for:				
Buildings	(461,173)	(83,884)	-	(545,057)
Equipment	(71,035)	(9,561)	9,664	(70,932)
Furniture and fixtures	(104,874)	(6,609)	-	(111,483)
Total accumulated depreciation	\$ (637,082)	\$ (100,054)	\$ 9,664	\$ (727,472)
Total capital assets—depreciable, net	2,832,758	(77,803)	(1,102)	2,753,853
Total capital assets, net	\$ 3,736,664	\$ (77,803)	\$ (1,102)	\$ 3,657,759

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Notes to Financial Statements

	Balance June 30, 2012	Additions	Disposals	Balance June 30, 2013
Capital assets—nondepreciable:				
Land	\$ 900,256	\$ -	\$ -	\$ 900,256
Land improvements	3,650	-	-	3,650
Construction in progress	4,225	29,750	(33,975)	-
Total capital assets—nondepreciable	908,131	29,750	(33,975)	903,906
Capital assets—depreciable:				
Buildings	3,228,319	39,750	-	3,268,069
Equipment	116,042	3,331	(31,964)	87,409
Furniture and fixtures	114,549	-	(187)	114,362
Total capital assets—depreciable	\$ 3,458,910	\$ 43,081	\$ (32,151)	\$ 3,469,840
Less accumulated depreciation for:				
Buildings	(377,785)	(83,388)	-	(461,173)
Equipment	(90,314)	(11,264)	30,543	(71,035)
Furniture and fixtures	(94,382)	(10,679)	187	(104,874)
Total accumulated depreciation	\$ (562,481)	\$ (105,331)	\$ 30,730	\$ (637,082)
Total capital assets—depreciable, net	2,896,429	(62,250)	(1,421)	2,832,758
Total capital assets, net	\$ 3,804,560	\$ (32,500)	\$ (35,396)	\$ 3,736,664

4. Tobacco Settlement and Other Expenses

In November 1998, the Attorneys General of 46 states, five U.S. territories and the District of Columbia (the States) signed the MSA with the nation's largest tobacco manufacturers. Under the MSA, the participating tobacco manufacturers must provide payment to the States. The base payments to the States are estimated to total \$206 billion through 2025. The State of North Carolina's share of the base payment is estimated to be \$4.57 billion. The Foundation was created to receive and administer one-half of North Carolina's share of payments under the MSA. The Foundation has received \$1.11 billion since its inception.

While the State of North Carolina's share of the base payments will not change over time, the amount of the annual payment is subject to a number of adjustments including, among others, inflation, and volume adjustments. These adjustments may increase or decrease the base payment. Therefore, the net effect of these adjustments is uncertain and the impact on the estimated future payments cannot be determined. In the event that the Foundation in the future receives a portion of North Carolina's payments under the MSA, any changes in the base payments may affect the amount received by the Foundation.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Notes to Financial Statements

In June 2011, the North Carolina General Assembly enacted legislation that purported to transfer to the General Fund of the State of North Carolina \$17,563,760 from the annual payment of MSA funds to the Foundation the fiscal year 2013. In July 2012, the North Carolina General Assembly amended the amount of the purported 2013 transfer from \$17,563,760 to \$24,313,760. The North Carolina General Assembly also enacted legislation in June 2011 that provides that any monies paid into the North Carolina State Specific Account from the Disputed Payments Account on account of the Non-Participating Manufacturers that would have been transferred to the Foundation shall be deposited in a Settlement Reserve Fund of the State of North Carolina. In fiscal year 2013, the Foundation received 50 percent of North Carolina's share of the annual MSA payment. The Foundation paid to the State of North Carolina \$59,445,436 during fiscal year 2013.

In July 2013, the North Carolina General Assembly enacted Session Law 2013-360, "Current Operations and Capital Improvements Appropriations Act of 2013." The legislation included an addition to available funds from "MSA Disputed Payments Erroneously Paid to Golden LEAF" in the amount of \$24,639,357. The Foundation paid to the State of North Carolina \$24,639,357 in fiscal year 2014. The legislation also purports to repeal those sections of Session Law 1999-2 in which the General Assembly approved the transfer and assignment to the Foundation of fifty percent (50%) of each annual payment of MSA funds. In fiscal year 2014, the Foundation received none of North Carolina's share of the annual MSA payment. As a result of the uncertainty of payment and amount of these funds, no receivable has been recorded for the Foundation's share of the State of North Carolina's future payments under the MSA.

5. Explanations of Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position

Total fund balances differ from net position of the Foundation reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus on the Foundation's fund balance sheets. The provisions of Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, imposed the following difference:

- (a) When capital assets (equipment, furniture and fixtures) that are to be used in Foundation activities are purchased, the costs of those assets are reported as expenditures in general funds. However, the Statement of Net Position includes those capital assets among the assets of the Foundation. The Foundation does not record depreciation so this expense is included as a reconciling item on the Statement of Activities and Governmental Fund Revenue, Expenditures, and Changes in Fund Balance.

6. Commitments

The Foundation has committed to invest in several private equity funds.

7. Retirement Plans

The Foundation administers a 403(b) defined contribution plan that provides retirement benefits with options for payment to beneficiaries in the event of the participant's death. All employees of the Foundation are eligible to participate in the plan. The plan requires the Foundation to contribute 10% of participants' gross salary and permits participants to contribute a percentage of gross salary up to the maximum established by the Internal Revenue Code.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Notes to Financial Statements

Prior to January 1, 2012, the Foundation separately administered the Defined Contribution Plan and the Tax-Deferred Annuity Plan. On January 1, 2012, the Foundation merged the Tax-Deferred Annuity Plan into the Defined Contribution Plan. There were no changes to participants' benefits as a result of the merger.

The Foundation contributed approximately \$136,000 and \$128,000 to the plan during the years ended June 30, 2014 and 2013, respectively. Participants contributed approximately \$46,000 and \$47,000 to the plan during the years ended June 30, 2014 and 2013, respectively.

Plan benefits are provided by means of contracts issued and administered by the privately operated Teachers' Insurance and Annuity Association and the College Retirement Equities Fund (TIAA-CREF) or by means of contracts issued by Vanguard, an investment management company.

8. Deferred Compensation Plan

The Foundation administers The Golden L.E.A.F., Inc. 457(b) Plan as approved by the Board of Directors. The plan is a non-qualified deferred compensation plan for the benefit of highly compensated, key employees designated by the Board of Directors. The Plan allows for discretionary contributions by the Foundation as well as employee deferrals up to the maximum established by the Internal Revenue Code. The Foundation made no contributions to the Plan during the years ended June 30, 2014 and 2013.

9. Risk Management

The Foundation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; illnesses or injuries to employees and natural disasters. The Foundation carries commercial insurance to cover these risks of loss. Claims on this coverage have historically not exceeded commercial premiums.

10. Subsequent Events

The Foundation has evaluated subsequent events from the date of the financial statements through September 30, 2014. During this period, no material recognizable subsequent events were identified.

Other Report



Tel: 919-754-9370
Fax: 919-754-9369
www.bdo.com

5430 Wade Park Boulevard
Suite 208
Raleigh, NC 27607

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc. (the "Foundation"), which comprise the statement of net position and governmental fund balance sheet as of June 30, 2014, and the related statement of activities and governmental fund revenues, expenditures and changes in fund balance for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, LLP

September 30, 2014

Tax Returns

Form **8879-EO****IRS e-file Signature Authorization
for an Exempt Organization**

OMB No. 1545-1878

For calendar year 2013, or fiscal year beginning 07/01, 2013, and ending 06/30, 2014

▶ Do not send to the IRS. Keep for your records.

▶ Information about Form 8879-EO and its instructions is at www.irs.gov/form8879eo.**2013**Department of the Treasury
Internal Revenue Service

Name of exempt organization

THE GOLDEN L.E.A.F., INC

Employer identification number

52-2204473

Name and title of officer

DANIEL J. GERLACH, PRESIDENT**Part I Type of Return and Return Information (Whole Dollars Only)**

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a, below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than 1 line in Part I.

1a	Form 990 check here ▶ <input checked="" type="checkbox"/>	b	Total revenue, if any (Form 990, Part VIII, column (A), line 12) . . .	1b	<u>42567625.</u>
2a	Form 990-EZ check here ▶ <input type="checkbox"/>	b	Total revenue, if any (Form 990-EZ, line 9)	2b	
3a	Form 1120-POL check here ▶ <input type="checkbox"/>	b	Total tax (Form 1120-POL, line 22)	3b	
4a	Form 990-PF check here ▶ <input type="checkbox"/>	b	Tax based on investment income (Form 990-PF, Part VI, line 5).	4b	
5a	Form 8868 check here ▶ <input type="checkbox"/>	b	Balance Due (Form 8868, Part I, line 3c or Part II, line 8c)	5b	

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2013 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize BDO USA, LLP

ERO firm name

to enter my PIN

--	--	--	--	--

as my signature

Enter five numbers, but
do not enter all zeros

on the organization's tax year 2013 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.



As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2013 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶

Date ▶

11/14/2014.**Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

5	4	6	2	1	8	1	3	5	3	8
---	---	---	---	---	---	---	---	---	---	---

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2013 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶

R. Michael S. Can

Date ▶

11/14/14**ERO Must Retain This Form - See Instructions****Do Not Submit This Form To the IRS Unless Requested To Do So**

For Paperwork Reduction Act Notice, see back of form.

Form **8879-EO** (2013)

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form **990**Department of the Treasury
Internal Revenue Service

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

- ▶ Do not enter Social Security numbers on this form as it may be made public.
▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

2013Open to Public
Inspection

A For the 2013 calendar year, or tax year beginning

07/01, 2013, and ending

06/30, 2014

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

C Name of organization

THE GOLDEN L.E.A.F., INC

Doing Business As

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

Room/suite

301 N. WINSTEAD AVENUE

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

ROCKY MOUNT, NC 27804

F Name and address of principal officer:

DANIEL J. GERLACH

301 N. WINSTEAD AVE ROCKY MOUNT, NC 27804

D Employer identification number

52-2204473

E Telephone number

(252) 442-7474

G Gross receipts \$ 193,410,915.

H(a) Is this a group return for subordinates? ☐ Yes ☒ NoH(b) Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

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

J Website: ▶ WWW.GOLDENLEAF.ORG

H(c) Group exemption number ▶

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1999 M State of legal domicile: NC

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: SEE PART III, LINE 1		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	15.
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	15.
	5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	17.
	6	Total number of volunteers (estimate if necessary)	6	0
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	33,814.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	105,581,136.	0
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	0
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	40,875,189.	42,563,127.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,202.	4,498.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	146,461,527.	42,567,625.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	46,018,345.	32,162,211.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0	0
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	1,702,899.	1,857,975.
	16b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0	0	0
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	62,444,624.	27,795,465.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	110,165,868.	61,815,651.
19	Revenue less expenses. Subtract line 18 from line 12	36,295,659.	-19,248,026.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	897,044,517.	956,849,074.
	22	Net assets or fund balances. Subtract line 21 from line 20	87,667,715.	75,031,265.
			809,376,802.	881,817,809.

Part II Signature Block

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

Sign Here



Signature of officer

Date



DANIEL J. GERLACH

PRESIDENT

Type or print name and title

Paid

Preparer Use Only

Print/Type preparer's name

MICHAEL SORRELLS

Preparer's signature

Michael Sorrells

Date

11/14/14

Check ☐ if self-employed

PTIN

P00001737

Firm's name ▶ BDO USA, LLP

Firm's EIN ▶ 13-5381590

Firm's address ▶ 7101 WISCONSIN AVE., SUITE 800 BETHESDA, MD 20814-4827

Phone no. 301-654-4900

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2013)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐ Yes ☒ No**1** Briefly describe the organization's mission:

GOLDEN LEAF'S MISSION IS TO PROMOTE THE SOCIAL WELFARE OF NORTH
 CAROLINA'S CITIZENS AND TO RECEIVE AND DISTRIBUTE FUNDS FOR ECONOMIC
 IMPACT ASSISTANCE TO ECONOMICALLY AFFECTED OR TOBACCO-DEPENDENT
 REGIONS OF NORTH CAROLINA.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O.**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O.**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 33,346,342. including grants of \$ 32,162,211.) (Revenue \$)
 ATTACHMENT 1

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

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

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

4e Total program service expenses ▶ 33,346,342.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	X
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a	X
b Did the organization report an amount for investments-other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	X
c Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

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

Form **990** (2013)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. 17		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. 0		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 17		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
3b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	X	
4b	If "Yes," enter the name of the foreign country: <u>IRELAND</u> See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		
13b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.Check if Schedule O contains a response or note to any line in this Part VI ☒ **X****Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year 1a 15		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
b Enter the number of voting members included in line 1a, above, who are independent 1b 15		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? . . 3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets? 5		X
6 Did the organization have members or stockholders? 6		X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? 7a	X	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 7b	X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body? 8a	X	
b Each committee with authority to act on behalf of the governing body? 8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O 9		X

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► NONE

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► BETH EDMONDSON 301 N. WINSTEAD AVE ROCKY MOUNT, NC 27804 252-442-7474

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII. ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) PAUL BROOKS DIRECTOR	3.00 0	X						1,456.	0	0
(2) J. THOMAS BUNN DIRECTOR	3.00 0	X						0	0	0
(3) WILLIAM CLARKE DIRECTOR	3.00 0	X						1,248.	0	0
(4) BRITT COBB DIRECTOR	3.00 0	X						1,248.	0	0
(5) S. LAWRENCE DAVENPORT TREASURER	3.00 0	X		X				1,248.	0	0
(6) BARRY Z. DODSON DIRECTOR	3.00 0	X						0	0	0
(7) DONALD E. FLOW DIRECTOR	3.00 0	X						0	0	0
(8) CLAUDINE GIBSON DIRECTOR	3.00 0	X						0	0	0
(9) BILLY RAY HALL ASST. SECRETARY	3.00 0	X		X				1,456.	0	0
(10) TOMMY HESTER DIRECTOR	3.00 0	X						0	0	0
(11) RANDY ISENHOWER DIRECTOR	3.00 0	X						0	0	0
(12) DR. JAMES H. JOHNSON SECRETARY	3.00 0	X		X				1,144.	0	0
(13) YVONNE J. JOHNSON DIRECTOR	3.00 0	X						0	0	0
(14) REV. LACY JOYNER DIRECTOR	3.00 0	X						936.	0	0

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) CAROLYN JUSTICE DIRECTOR	3.00 0	X						0	0	0
(16) JOHNNATHAN RHYNE CHAIR	15.00 0	X		X				832.	0	0
(17) DAVID L. ROSE DIRECTOR	3.00 0	X						0	0	0
(18) DAVID T. STEPHENSON DIRECTOR	3.00 0	X						0	0	0
(19) RALPH STRAYHORN DIRECTOR	3.00 0	X						0	0	0
(20) TOM TAFT VICE CHAIR	3.00 0	X		X				624.	0	0
(21) EDWIN J. VICK DIRECTOR	3.00 0	X						832.	0	0
(22) DANIEL J. GERLACH PRESIDENT	40.00 0			X				189,733.	0	36,308.
(23) MARK A. SORRELLS SENIOR VICE PRESIDENT	40.00 0			X				164,757.	0	32,322.
(24) PETER J. CERA VP INVESTMENTS	40.00 0			X				148,333.	0	31,987.
(25) PATRICIA CABE-CANTRELL VP PROGRAMS/COMM.ASST. & OUTRE	40.00 0			X				110,619.	0	24,965.
1b Sub-total								8,736.	0	0
c Total from continuation sheets to Part VII, Section A								818,105.	0	176,133.
d Total (add lines 1b and 1c)								826,841.	0	176,133.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **5**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 2		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **10**

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above . .	1f				
	g	Noncash contributions included in lines 1a-1f: \$					
	h	Total. Add lines 1a-1f ▶			0		
Program Service Revenue				Business Code			
	2a						
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f ▶			0		
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		9,538,121.		33,814.	9,504,307.
	4	Income from investment of tax-exempt bond proceeds . . . ▶		0			
	5	Royalties ▶		0			
			(i) Real	(ii) Personal			
	6a	Gross rents					
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) ▶		0			
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory		183,867,150.	1,146.		
	b	Less: cost or other basis and sales expenses		150,843,290.			
	c	Gain or (loss)		33,023,860.	1,146.		
	d	Net gain or (loss) ▶		33,025,006.			33,025,006.
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 a					
	b	Less: direct expenses b					
	c	Net income or (loss) from fundraising events ▶		0			
	9a	Gross income from gaming activities. See Part IV, line 19 a					
	b	Less: direct expenses b					
	c	Net income or (loss) from gaming activities ▶		0			
	10a	Gross sales of inventory, less returns and allowances a					
b	Less: cost of goods sold b						
c	Net income or (loss) from sales of inventory ▶		0				
Miscellaneous Revenue			Business Code				
11a	OTHER INCOME		900099	4,498.	4,498.		
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d ▶			4,498.			
12	Total revenue. See instructions ▶			42,567,625.	4,498.	33,814.	42,529,313.

Part IX Statement of Functional Expenses

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

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 .	32,162,211.	32,162,211.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	1,064,026.	560,278.	503,748.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	532,848.	434,244.	98,604.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	50,520.	40,654.	9,866.	
9 Other employee benefits	110,538.	83,356.	27,182.	
10 Payroll taxes	100,043.	65,599.	34,444.	
11 Fees for services (non-employees):				
a Management	0			
b Legal	166,396.		166,396.	
c Accounting	60,000.		60,000.	
d Lobbying	0			
e Professional fundraising services. See Part IV, line 17.	0			
f Investment management fees	2,642,131.		2,642,131.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	300.		300.	
12 Advertising and promotion	8,474.		8,474.	
13 Office expenses	40,351.		40,351.	
14 Information technology	37,156.		37,156.	
15 Royalties	0			
16 Occupancy	62,455.		62,455.	
17 Travel	43,413.		43,413.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	240.		240.	
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	0			
23 Insurance	21,725.		21,725.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PAYMENT TO STATE OF NC	24,639,357.		24,639,357.	
b BOARD OF DIRECTORS EXPENSES	37,646.		37,646.	
c CAPITAL OUTLAYS	22,251.		22,251.	
d DUES AND MEMBERSHIPS	11,313.		11,313.	
e All other expenses	2,257.		2,257.	
25 Total functional expenses. Add lines 1 through 24e	61,815,651.	33,346,342.	28,469,309.	
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0			

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	327,381.	1	636,364.
	2 Savings and temporary cash investments	0	2	0
	3 Pledges and grants receivable, net	0	3	0
	4 Accounts receivable, net	1,695.	4	325.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	167,179.	7	227,568.
	8 Inventories for sale or use	0	8	0
	9 Prepaid expenses and deferred charges	89,791.	9	89,554.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D		10a	
	b Less: accumulated depreciation	0	10c	0
	11 Investments - publicly traded securities	396,264,222.	11	395,849,553.
	12 Investments - other securities. See Part IV, line 11	500,194,249.	12	560,045,710.
	13 Investments - program-related. See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	0	15	0
16 Total assets. Add lines 1 through 15 (must equal line 34)	897,044,517.	16	956,849,074.	
Liabilities	17 Accounts payable and accrued expenses	144,623.	17	134,569.
	18 Grants payable	87,523,092.	18	74,896,696.
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	0	20	0
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	0	25	0
	26 Total liabilities. Add lines 17 through 25	87,667,715.	26	75,031,265.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	0	30	0
	31 Paid-in or capital surplus, or land, building, or equipment fund	0	31	0
	32 Retained earnings, endowment, accumulated income, or other funds	809,376,802.	32	881,817,809.
	33 Total net assets or fund balances	809,376,802.	33	881,817,809.
	34 Total liabilities and net assets/fund balances	897,044,517.	34	956,849,074.

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	42,567,625.
2	Total expenses (must equal Part IX, column (A), line 25)	2	61,815,651.
3	Revenue less expenses. Subtract line 2 from line 1	3	-19,248,026.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	809,376,802.
5	Net unrealized gains (losses) on investments	5	84,814,497.
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	6,874,536.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	881,817,809.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☒

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:
☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form **990** (2013)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

OMB No. 1545-0047

2013

Open to Public Inspection

▶ Attach to Form 990 or Form 990-EZ.

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

Name of the organization

THE GOLDEN L.E.A.F., INC

Employer identification number

52-2204473

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

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

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III-Functionally integrated d ☐ Type III-Non-functionally integrated
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box. ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

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

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

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

Schedule A (Form 990 or 990-EZ) 2013

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	73,179,244.	69,128,105.	70,489,443.	105,581,136.	0	318,377,928.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0
4 Total. Add lines 1 through 3.	73,179,244.	69,128,105.	70,489,443.	105,581,136.		318,377,928.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f).						0
6 Public support. Subtract line 5 from line 4.						318,377,928.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	73,179,244.	69,128,105.	70,489,443.	105,581,136.		318,377,928.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	5,237,547.	8,247,547.	8,888,370.	11,250,562.	9,504,307.	43,128,333.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	-705,680.	87,492.	-1,083,463.	74,693.	33,814.	-1,593,144.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . ATCH. 1	5,040.	8,686.	6,569.	5,202.	4,498.	29,995.
11 Total support. Add lines 7 through 10						359,943,112.
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	88.45 %
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	91.45 %
16a 33 1/3% support test - 2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input checked="" type="checkbox"/>
b 33 1/3% support test - 2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test - 2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10%-facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

Part IV **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2009	2010	2011	2012	2013	TOTAL
OTHER INCOME	5,040.	8,686.	6,569.	5,202.	4,498.	29,995.
TOTALS	<u>5,040.</u>	<u>8,686.</u>	<u>6,569.</u>	<u>5,202.</u>	<u>4,498.</u>	<u>29,995.</u>

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **See separate instructions.** ▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization	Employer identification number
THE GOLDEN L.E.A.F., INC	52-2204473

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ▶ \$
- 3 Volunteer hours

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
- 4a Was a correction made? ☐ Yes ☐ No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$
- 4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

Schedule C (Form 990 or 990-EZ) 2013

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g	Grassroots nontaxable amount (enter 25% of line 1f)														
h	Subtract line 1g from line 1a. If zero or less, enter -0-														
i	Subtract line 1f from line 1c. If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No												

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2013

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		1,227.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?		X	
j Total. Add lines 1c through 1i			1,227.
2 a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

LOBBYING ACTIVITY - FORM 990, SCHEDULE C, PART II-B, LINE 1G

LOBBYING ACTIVITY - FORM 990, SCHEDULE C, PART II-B, LINE 1G

THESE EXPENSES REPRESENT SALARY AND BENEFIT COSTS FOR OUR PRESIDENT'S

TIME SPENT LOBBYING MEMBERS OF THE NC GENERAL ASSEMBLY RELATED TO

LEGISLATION AFFECTING GOLDEN LEAF FUNDING AND EDUCATING LEGISLATORS AND

THEIR STAFF ON THE MISSION OF THE FOUNDATION AND ITS WORK.

Part IV **Supplemental Information** *(continued)*

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

THE GOLDEN L.E.A.F., INC

Supplemental Financial Statements

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

▶ Attach to Form 990.

▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Employer identification number

52-2204473

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

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

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Schedule D (Form 990) 2013

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

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

- a** ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

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

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

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

	Amount
1c Beginning balance	
1d Additions during the year	
1e Distributions during the year	
1f Ending balance	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

- a** Board designated or quasi-endowment ▶ _____ %
b Permanent endowment ▶ _____ %
c Temporarily restricted endowment ▶ _____ %

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

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

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

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

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶

Part VII Investments - Other Securities.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other ATTACHMENT 1		
(A) AG REALTY FND VII(TE)&FND VIII	11,689,705.	FMV
(B) ARCHSTONE OFFSHORE FUND, LTD	25,007,328.	FMV
(C) AURORA VENTURES IV & V	7,037,996.	FMV
(D) AXIOM INTL EQUITY FUND II	14,828,763.	FMV
(E) BEACON CPTL STRATEGIC PTRS V&VI	5,638,468.	FMV
(F) SWIFTCURRENT OFFSHORE, LTS	22,064,744.	FMV
(G) CANTILLON GLOBAL VALUE FUND	38,377,757.	FMV
(H) CARLYLE VENTURE PARTNERS II, LP	3,181,497.	FMV
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ►	560,045,710.	

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

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

Part X Other Liabilities.

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

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

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

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

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

1	Total revenue, gains, and other support per audited financial statements	1	124,706,177.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	84,814,497.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	84,814,497.
3	Subtract line 2e from line 1	3	39,891,680.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	2,642,131.
b	Other (Describe in Part XIII.)	4b	33,814.
c	Add lines 4a and 4b	4c	2,675,945.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	42,567,625.

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

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

1	Total expenses and losses per audited financial statements	1	52,265,170.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	52,265,170.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	2,642,131.
b	Other (Describe in Part XIII.)	4b	6,908,350.
c	Add lines 4a and 4b	4c	9,550,481.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	61,815,651.

Part XIII Supplemental Information.

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

SEE PAGE 5

Part XIII Supplemental Information (continued)

FORM 990, SCHEDULE D, PART XI, LINE 4B

PASS-THROUGH UBI INCOME FROM K-1S 33,814

FORM 990, SCHEDULE D, PART XII, LINE 4B

CANCELLED GRANTS 6,908,350

ATTACHMENT 1SCHEDULE D, PART VII - INVESTMENTS - OTHER SECURITIES

<u>DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>COST OR FMV</u>
CAROUSEL CAPITAL PTRS III IV	5,473,557.	FMV
COLONY INVESTORS VIII, L.P	2,617,000.	FMV
DENHAM COMMODITY PTRS FND V&VI	3,712,800.	FMV
DIVERSIFIED PNRS OFFSHORE FUND	973,855.	FMV
ENCAP ENERGY CPTL FND/FLATROCK	6,393,675.	FMV
FARALLON CAPITAL INSTITUTIONAL	18,678,013.	FMV
FPA HAWKEYE FUND, LLC	22,642,606.	FMV
HATTERAS VENTURE PTRS II, LP	2,035,600.	FMV
HIGHLINE CAPITAL INTL, LTD	25,917,345.	FMV
KING STREET CAPITAL, LTD	22,310,382.	FMV
LEXINGTON CAPITAL PTRS V & LCP	7,347,010.	FMV
LONE CASCADE, L.P	23,956,336.	FMV
MATLIN PATTERSON GLOBAL OPP	5,026,343.	FMV
OZ OVERSEAS FUND II, LTD	22,209,182.	FMV
Q-BLK PRIVATE CAPITAL II, L.P	8,975,655.	FMV
SHEPHERD INVESTMENTS INTL, LTD	2,381,190.	FMV
SHERIDAN PRODUCTION PTRS I-B	11,794,000.	FMV
SILCHESTER INTL VALUE EQUITY	65,940,557.	FMV
SILVERPOINT CPTL OFFSHORE FUND	834,155.	FMV

Part XIII Supplemental Information *(continued)*ATTACHMENT 1 (CONT'D)SCHEDULE D, PART VII - INVESTMENTS - OTHER SECURITIES

<u>DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>COST OR FMV</u>
SYNERGY LIFE SCIENCE PTRS, L.P	2,895,596.	FMV
REALTY ASSOC. FND VIII,IX & X	18,717,059.	FMV
TACONIC OPP. OFFSHORE FUND,LTD	23,448,803.	FMV
THOMAS H LEE EQUITY FUND VI,LP	6,238,428.	FMV
VARDE FUND IX, X & XI	23,446,174.	FMV
WARBURG PINCUS X	13,966,025.	FMV
WELLINGTON ARCHIPELAGO	37,876,346.	FMV
WELLINGTON BAY POND	30,981,811.	FMV
WELLINGTON CTF COMMODITIES II	15,429,949.	FMV
TOTALS	<u>560,045,710.</u>	

**SCHEDULE F
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

THE GOLDEN L.E.A.F., INC

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.

► Attach to Form 990. ► See separate instructions.

► Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Employer identification number

52-2204473

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ **Yes** ☐ **No**

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) NORTH AMERICA			INVESTMENTS		37,876,346.
(2) NORTH AMERICA			INVESTMENTS		30,981,811.
(3) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		25,917,345.
(4) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		22,310,382.
(5) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		2,381,190.
(6) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		25,007,328.
(7) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		23,448,803.
(8) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		22,209,182.
(9) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		22,064,744.
(10) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		7,595,891.
(11) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		973,855.
(12) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		834,155.
(13) EUROPE			INVESTMENTS		38,377,757.
(14)					
(15)					
(16)					
(17)					
3a Sub-total					259,978,789.
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					259,978,789.

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

Schedule F (Form 990) 2013

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									
(8)									
(9)									
(10)									
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

- 2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter. ▶
- 3 Enter total number of other organizations or entities. ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 16.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1** Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* ☒ Yes ☐ No
- 2** Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* ☐ Yes ☒ No
- 3** Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. (see Instructions for Form 5471)* ☐ Yes ☒ No
- 4** Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* ☐ Yes ☒ No
- 5** Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865)* ☐ Yes ☒ No
- 6** Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713)* ☐ Yes ☒ No

Schedule F (Form 990) 2013

Part V **Supplemental Information**

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

THE GOLDEN L.E.A.F., INC

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

► Attach to Form 990.

► Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public
Inspection

Employer identification number

52-2204473

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. ☒ Yes ☐ No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) ALAMANCE COUNTY CATTLEMEN'S ASSOCIATION, IN PO BOX 2932 BURLINGTON, NC 27216	56-1912926	501(C)3	167,500.				ALAMANCE COUNTY CATT
(2) ASHEVILLE-BUNCOMBE TECHNICAL COMMUNITY COLL 340 VICTORIA RD ASHEVILLE, NC 28801	56-0792170	EDUCATION	200,000.				COMPOSITE MATERIALS
(3) BLUE RIDGE COMMUNITY HEALTH SERVICES, INC. PO BOX 5151 HENDERSONVILLE, NC 28793	56-0794933	501(C)3	100,000.				RUTHERFORD HEALTH CE
(4) CABARRUS COUNTY SCHOOLS 4401 OLD AIRPORT RD CONCORD, NC 28025	56-6000997	GOV'T ENTITY	110,000.				INSPIRE
(5) CENTER FOR CREATIVE LEADERSHIP PO BOX 26300 GREENSBORO, NC 27438	23-7079591	GOV'T ENTITY	1,750,000.				GOLDEN LEAF SCHOLARS
(6) CENTRAL CAROLINA COMMUNITY COLLEGE 1105 KELLY DR SANFORD, NC 27330	56-0794261	GOV'T ENTITY	100,000.				CHATHAM, HARNETT, AN
(7) CHEROKEE COUNTY BOARD OF EDUCATION 911 ANDREWS RD MURPHY, NC 28906	56-6000211	GOV'T ENTITY	1,000,000.				CHEROKEE COUNTY SCHO
(8) CITIZENS ECONOMIC DEVELOPMENT, INC. PO BOX 66 WENTWORTH, NC 27375	58-1745911	501(C)3	2,000,000.				PROJECT SPECIAL K
(9) CITY OF ROCKY MOUNT PO BOX 1180 ROCKY MOUNT, NC 27802	56-6001323	GOV'T ENTITY	355,000.				PROJECT YUM
(10) CITY OF SANFORD PO BOX 3729 SANFORD, NC 27331	56-6001328	GOV'T ENTITY	200,000.				VA COMMUNITY-BASED O
(11) CITY OF TRINITY PO BOX 50 TRINITY, NC 27370	56-2042582	GOV'T ENTITY	140,000.				TURNPIKE INDUSTRIAL
(12) COUNTY OF HYDE PO BOX 188 SWAN QUARTER, NC 27885	56-6000308	GOV'T ENTITY	500,000.				REVOLVING LOAN FUND

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

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

Schedule I (Form 990) (2013)

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SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

THE GOLDEN L.E.A.F., INC

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

► Attach to Form 990.

► Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public
Inspection

Employer identification number

52-2204473

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. ☒ Yes ☐ No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) DAVIE COUNTY 123 SOUTH MAIN ST MOCKSVILLE, NC 27028	56-6000295	GOV'T ENTITY	1,000,000.				PROJECT EAST
(2) EAST CAROLINA UNIVERSITY 300 E FIRST ST GREENVILLE, NC 27858	56-6000403	GOV'T ENTITY	1,250,000.				ADVANCED MANUFACTURI
(3) EAST CAROLINA UNIVERSITY 600 MOYE BLVD GREENVILLE, NC 27834	56-6000403	EDUCATION	200,000.				EXPANDING THE NEXT G
(4) EDGEcombe COUNTY PO BOX 10 TARBORO, NC 27886	56-6000298	GOV'T ENTITY	1,500,000.				BIOTECH AND MEDICAL
(5) HALIFAX COMMUNITY COLLEGE PO DRAWER 809 WELDON, NC 27890	56-0896018	EDUCATION	450,000.				HALIFAX COMMUNITY CO
(6) HAYWOOD ADVANCEMENT FOUNDATION, INC 144 INDUSTRIAL PK DR WAYNESVILLE, NC 28786	56-1702956	501(C)(3)	60,000.				SUNBURST TROUT FARMS
(7) J ARTHUR DOSHER MEMORIAL HOSPITAL FOUNDATIO 924 NORTH HOWE ST SOUTHPORT, NC 28461	27-2041641	501(C)(3)	50,000.				DOSHER ER - SAVE A L
(8) JOHNSTON COUNTY PO BOX 1049 SMITHFIELD, NC 27577	56-6000311	GOV'T ENTITY	150,000.				JOHNSTON COUNTY NOVO
(9) LINCOLN COUNTY SCHOOLS PO BOX 400 LINCOLNTON, NC 28093	56-6001066	GOV'T ENTITY	200,000.				MANUFACTURING A FUTU
(10) MARTIN COMMUNITY COLLEGE 1161 KEHKEE PARK RD WILLIAMSTON, NC 27892	56-0895914	EDUCATION	661,904.				BUILDING BETTER ALLI
(11) MARTIN COUNTY SCHOOLS 300 N. WATTS ST WILLIAMSTON, NC 27892	56-6000652	GOV'T ENTITY	300,000.				MARTIN COUNTY STEM E
(12) NASH COMMUNITY COLLEGE PO BOX 7488 ROCKY MOUNT, NC 27804	56-0895794	GOV'T ENTITY	190,000.				BIOMANUFACTURING AND

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

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

Schedule I (Form 990) (2013)

SCHEDULE I
(Form 990)

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Department of the Treasury
Internal Revenue Service

Name of the organization

THE GOLDEN L.E.A.F., INC

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) NASH COUNTY 120 W. WASHINGTON ST, STE 3072	56-6000323	GOV'T ENTITY	1,500,000.				HWY 97 SEWER
(2) NORTH CAROLINA COMMUNITY COLLEGE SYSTEM 5016 MAIL SERVICE CENTER RALEIGH, NC 27699	56-1288079	EDUCATION	750,000.				GOLDEN LEAF SCHOLARS
(3) NORTH CAROLINA STATE EDUCATION ASSISTANCE A PO BOX 14103	90-0145439	GOV'T ENTITY	2,452,000.				GOLDEN LEAF SCHOLARS
(4) NORTH CAROLINA STATE UNIVERSITY 2701 SULLIVAN DR, SUITE 240	56-6000756	EDUCATION	125,611.				GOLDEN LEAF MID-SKIL
(5) NORTH CAROLINA STATE UNIVERSITY - FRIDAY IN 2701 SULLIVAN DR, RALEIGH, NC 27695	56-6000756	EDUCATION	175,000.				GROWING A PROFITABLE
(6) NORTH CAROLINA STATE UNIVERSITY 1890 MAIN CAMPUS DR, RALEIGH, NC 27606	56-6000756	EDUCATION	188,939.				LEADERSHIP SUPPORT F
(7) NORTH CAROLINA STATE UNIVERSITY - RESEARCH 2701 SULLIVAN DR, SUITE 240	56-6000756	GOV'T ENTITY	127,931.				DETERMINING THE CAUS
(8) NORTH CAROLINA STATE UNIVERSITY - RESEARCH 600 LAUREATE WAY KANNAPOLIS, NC 28081	56-6000756	GOV'T ENTITY	188,268.				BUILDING PATHWAYS FO
(9) NORTH CAROLINA STATE UNIVERSITY - RESEARCH 600 LAUREATE WAY KANNAPOLIS, NC 28081	56-6000756	GOV'T ENTITY	61,460.				EVALUATING THE USE O
(10) NORTHEAST REGIONAL SCHOOL OF BIOTECHNOLOGY 600 LAUREATE WAY KANNAPOLIS, NC 28081	56-6000756	GOV'T ENTITY	90,000.				NORTH CAROLINA FARM
(11) PENDER COUNTY 207 RESEARCH STATION RD PLYMOUTH, NC 27962	45-5630019	GOV'T ENTITY	175,000.				PRODUCING SCHOLARS F
(12) PERQUIMANS COUNTY SCHOOLS PO BOX 5 BURGAW, NC 28425	56-6000329	EDUCATION	400,000.				PENDER BUSINESS PARK

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶
- 3 Enter total number of other organizations listed in the line 1 table ▶

For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule I (Form 990) (2013)

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

THE GOLDEN L.E.A.F., INC

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

► Attach to Form 990.

► Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public
Inspection

Employer identification number

52-2204473

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) PERQUIMANS COUNTY PO BOX 337 HERTFORD, NC 27944	56-6001094	GOV'T ENTITY	864,000.				1:1 COMPUTING-ACCESS
(2) PERSON COUNTY PO BOX 45 HERTFORD, NC 27944	56-6000330	GOV'T ENTITY	308,762.				PERQUIMANS MARINE IN
(3) PITT COUNTY GOVERNMENT 304 S MORGAN ST, RM 211 ROXBORO, NC 27573	56-6000331	GOV'T ENTITY	195,000.				1:1 LAPTOP PROGRAM F
(4) RANDOLPH COMMUNITY COLLEGE PO BOX 1009 ASHEBORO, NC 27204	56-0793680	GOV'T ENTITY	240,000.				CNC TECHNOLOGY EQUIP
(5) RANDOLPH HOSPITAL, INC. 364 WHITE OAK ST ASHEBORO, NC 27203	56-0530234	501(C)(3)	75,000.				RANDOLPH HOSPITAL PA
(6) RICHMOND COMMUNITY COLLEGE FOUNDATION PO BOX 1189 HAMLET, NC 28345	56-1364070	501(C)(3)	474,000.				AUTOMATION AND SYSTE
(7) RIVER CITY COMMUNITY DEVELOPMENT CORPORATIO 501 EAST MAIN ST ELIZABETH CITY, NC 27909	56-1709321	501(C)(3)	100,000.				RENAISSANCE SQUARE
(8) RUTHERFORD COUNTY GOVERNMENT 289 NORTH MAIN ST RUTHERFORDTON, NC 28139	56-6000337	GOV'T ENTITY	200,000.				PROJECT VSC
(9) SANDHILLS COMMUNITY COLLEGE FOUNDATION, INC 3395 AIRPORT RD PINEHURST, NC 28374	56-0946799	501(C)(3)	442,242.				HOKE INITIATIVE FOR
(10) SOUTHEASTERN PARTNERSHIP II, INC. PO BOX 2556 ELIZABETHTOWN, NC 28337	56-1974942	501(C)(3)	800,000.				PORT COLD STORAGE FA
(11) SOUTHWESTERN COMMUNITY COLLEGE 447 COLLEGE DR SYLVA, NC 28779	56-0894556	EDUCATION	859,780.				A HIGH TECH TRAINING
(12) SOUTHWESTERN COMMUNITY COLLEGE 447 COLLEGE DR SYLVA, NC 28779	56-0894556	EDUCATION	470,000.				THE BALSAM ADVANCED

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ►

3 Enter total number of other organizations listed in the line 1 table ►

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

Schedule I (Form 990) (2013)

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SCHEDULE I
(Form 990)

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Department of the Treasury
Internal Revenue Service

Name of the organization

THE GOLDEN L.E.A.F., INC

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☒ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) STANLY COMMUNITY COLLEGE FOUNDATION, INC. 141 COLLEGE DR ALEMARLE, NC 28001	58-1360598	501(C)(3)	273,385.				TRAINING FOR TOMORRO
(2) THE SUPPORT CENTER 3120 HIGHWOODS BLVD, STE B25350	58-1903219	501(C)(3)	200,000.				THE SUPPORT CENTER U
(3) SURRY COUNTY 118 HAMBY RD DOBSON, NC 27017	56-6000341	GOV'T ENTITY	200,000.				PROJECT PRESS
(4) SWAIN COUNTY SCHOOLS PO BOX 2340 BRYSON CITY, NC 28713	56-6001118	GOV'T ENTITY	827,000.				DESTINATION GRADUATI
(5) TOWN OF ANDREWS PO BOX 1210 ANDREWS, NC 28901	56-6001164	GOV'T ENTITY	122,800.				WEST END SEWER SERVI
(6) TOWN OF BRYSON CITY PO BOX 726 BRYSON CITY, NC 28713	56-6001187	GOV'T ENTITY	300,000.				DOWNTOWN BLOCK INFRA
(7) TOWN OF EDENTON PO BOX 300 EDENTON, NC 27932	56-6001216	GOV'T ENTITY	120,000.				TOWN OF EDENTON PROJ
(8) TOWN OF MURPHY PO BOX 130 MURPHY, NC 28906	56-6001299	GOV'T ENTITY	250,000.				WATER & SEWER EXPANS
(9) TOWN OF NORTH WILKESBORO PO BOX 218 NORTH WILKESBORO, NC 28659	56-6001302	GOV'T ENTITY	200,000.				WILKES INDUSTRIAL PA
(10) TOWN OF ROPER PO BOX 217 ROPER, NC 27970	56-0776305	GOV'T ENTITY	200,000.				THE GATEWAY PROJECT
(11) TOWN OF WILKESBORO PO BOX 1056 WILKESBORO, NC 28697	56-6020162	GOV'T ENTITY	200,000.				INTERFLEX WATER SYST
(12) TRI-COUNTY COMMUNITY COLLEGE 21 CAMPUS CIRCLE MURPHY, NC 28906	56-0896010	GOV'T ENTITY	600,000.				TRI-COUNTY COMMUNITY

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

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

Schedule I (Form 990) (2013)

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

THE GOLDEN L.E.A.F., INC

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

► Attach to Form 990.

► Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public
Inspection

Employer identification number

52-2204473

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) TYRRELL COUNTY 108 S. WATER ST COLUMBIA, NC 27925	56-6000344	GOV'T ENTITY	1,000,000.				TYRRELL COUNTY SANIT
(2) TYRRELL COUNTY SCHOOLS PO BOX 328 COLUMBIA, NC 27925	56-6001122	EDUCATION	196,629.				EQUALIZING ACCESS TO
(3) VANCE-GRANVILLE COMMUNITY COLLEGE PO BOX 917 HENDERSON, NC 27537	56-0937968	EDUCATION	460,000.				MANUFACTURING SKILLS
(4) VETERANS LEADERSHIP COUNCIL OF NORTH CAROLINA PO BOX 37087 RALEIGH, NC 27627	27-1696736	501(C)(3)	200,000.				VETERANS LIFE CENTER
(5) WARREN COUNTY PO BOX 619 WARRENTON, NC 27589	56-6000348	GOV'T ENTITY	50,000.				WARREN COUNTY CENTER
(6) WARREN COUNTY FREE CLINIC, INC. 546 W. RIDGEWAY ST WARRENTON, NC 27589	20-4307481	501(C)(3)	45,000.				MEDICAL EQUIPMENT UP
(7) WESTERN CAROLINA UNIVERSITY 1 UNIVERSITY WAY CULLOWHEE, NC 28723	56-6001440	EDUCATION	500,000.				FOSTERING TOMORROW'S
(8) WILKES ECONOMIC DEVELOPMENT CORPORATION 213 NINTH ST NORTH WILKESBORO, NC 28659	56-1957642	501(C)(3)	45,000.				WILKES CATTLE QUALIT
(9) WILSON COMMUNITY COLLEGE PO BOX 4305 WILSON, NC 27893	56-6052568	EDUCATION	500,000.				THE INDUSTRIAL ENGIN
(10) WILSON COUNTY SCHOOLS PO BOX 2048 WILSON, NC 27893	56-6001134	EDUCATION	750,000.				WILSON ACADEMY OF AP
(11) WIRELESS RESEARCH CENTER OF NORTH CAROLINA 3331 HERITAGE TRADE WAKE FOREST, NC 27587	27-3397703	501(C)(3)	750,000.				PORTABLE WIRELESS NE
(12) WNC COMMUNITIES 594 BREVARD RD ASHEVILLE, NC 28806	56-0797766	501(C)(3)	100,000.				EXPANDING THE LIVEST

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

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

Schedule I (Form 990) (2013)

SCHEDULE I
(Form 990)

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Department of the Treasury
Internal Revenue Service

Name of the organization

THE GOLDEN L.E.A.F., INC

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

Employer identification number

52-2204473

OMB No. 1545-0047

2013

Open to Public
Inspection

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. ☒ Yes ☐ No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) YADKIN COUNTY SCHOOLS 121 WASHINGTON ST YADKINVILLE, NC 27055	56-6001137	EDUCATION	1,75,000.				LEARNERS ENGAGED AND
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							
(9) -----							
(10) -----							
(11) -----							
(12) -----							

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 73.
- 3 Enter total number of other organizations listed in the line 1 table 73.

For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule I (Form 990) (2013)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

GRANTS MONITORING - FORM 990, SCHEDULE I, LINE 2

APPLICANTS THAT RECEIVE AWARDS FROM THE BOARD ARE REQUIRED TO SIGN A GRANTEE ACKNOWLEDGEMENT & AGREEMENT, WHICH STATES GUIDELINES AND CONDITIONS FOR THE GRANT. GRANTEES MUST ALSO ATTEND A GRANTS MANAGEMENT SESSION. THE GRANTEE ACKNOWLEDGEMENT & AGREEMENT MAY CONTAIN CONDITIONS THAT MUST BE SATISFIED BEFORE FUNDS WILL BE RELEASED. THESE CONDITIONS ALONG WITH REQUIREMENTS FOR INTERIM AND FINAL REPORTS ARE ENTERED IN A DATABASE. ONCE THE FOUNDATION RECEIVES THE SIGNED GRANTEE ACKNOWLEDGEMENT & AGREEMENT, EVIDENCE THAT PRECONDITIONS HAVE BEEN MET, AND A WRITTEN REQUEST FOR PAYMENT, THE APPLICANT IS ELIGIBLE TO RECEIVE AN INITIAL

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

DISBURSEMENT OF UP TO 80% OF THE GRANT AWARD. A SUM EQUAL TO THE 20% OF

THE TOTAL AMOUNT OF THE GRANT IS GENERALLY RETAINED BY THE FOUNDATION

UNTIL COMPLETION OF THE GRANTEE'S OBLIGATIONS UNDER THE GRANT, INCLUDING

THE SUBMISSION TO THE FOUNDATION OF A FINAL REPORT ON THE FUNDED PROJECT

AND SATISFACTION OF ANY REMAINING CONDITIONS TO RELEASE OF FUNDS.

GRANTEES MAY USE FUNDS ONLY FOR ITEMS IDENTIFIED IN THE PROJECT'S

APPROVED BUDGET. SHOULD THE GRANTEE SEEK TO SPEND FUNDS ON AN ITEM NOT

INCLUDED IN THE BUDGET OR IN AN AMOUNT IN EXCESS OF THE APPROVED BUDGET

AMOUNT, THE GRANTEE MUST RECEIVE APPROVAL OF A BUDGET MODIFICATION. IN NO

EVENT MAY A GRANTEE SPEND GOLDEN LEAF FUNDS IN EXCESS OF THE AMOUNT

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

AWARDED BY THE GOLDEN LEAF BOARD. GRANTEES MUST SUBMIT INTERIM REPORTS IN

SIX MONTH INCREMENTS BEGINNING SIX MONTHS AFTER THE AWARD DATE AND A

FINAL REPORT WITHIN 60 DAYS AFTER COMPLETION OF THE PROJECT. THE REPORTS

INCLUDE INFORMATION REGARDING THE WORK ACCOMPLISHED, COMPARED TO AN

APPROVED SCOPE OF WORK, REPORTED OUTCOMES OF THE PROJECT, AND EXPENDITURE

REPORTS WITH SUPPORTING DOCUMENTATION.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

- Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
► Attach to Form 990. ► See separate instructions.
► Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public
Inspection

Name of the organization

THE GOLDEN L.E.A.F., INC

Employer identification number

52-2204473

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|---|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a Receive a severance payment or change-of-control payment?
- b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a The organization?
- b Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a The organization?
- b Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b	X	
2	X	
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2013

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 DANIEL J. GERLACH PRESIDENT	(i)	189,733.	0	0	19,419.	16,889.	226,041.	
	(ii)	0	0	0	0	0	0	0
2 MARK A. SORRELLS SENIOR VICE PRESIDENT	(i)	164,757.	0	0	17,067.	15,255.	197,079.	
	(ii)	0	0	0	0	0	0	0
3 PETER J. CERA VP INVESTMENTS	(i)	148,333.	0	0	15,225.	16,762.	180,320.	
	(ii)	0	0	0	0	0	0	0
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

OTHER COMPENSATION - FORM 990, SCHEDULE J, PART I, LINE 1A

ROTARY CLUB DUES.

WRITTEN POLICY - FORM 990, SCHEDULE J, PART I, LINE 1B

PAYMENT OF DUES APPROVED BY BOARD

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Name of the organization

THE GOLDEN L.E.A.F., INC

Employer identification number

52-2204473

APPROVAL OF GOVERNING BODY DECISIONS - FORM 990, PART VI, LINE 7A

THE FOUNDATION IS GOVERNED BY A BOARD OF DIRECTIONS COMPRISED OF FIFTEEN DIRECTORS. FIVE DIRECTORS ARE APPOINTED BY THE GOVERNOR OF THE STATE OF NORTH CAROLINA. FIVE DIRECTORS ARE APPOINTED BY THE PRESIDENT PRO TEMPORE OF THE NORTH CAROLINA SENATE. FIVE DIRECTORS ARE APPOINTED BY THE SPEAKER OF THE NORTH CAROLINA HOUSE OF REPRESENTATIVES.

FORM 990 REVIEW PROCESS - FORM 990, PART VI, LINE 11B

A COPY OF FORM 990 WAS PROVIDED TO EACH MEMBER OF THE FOUNDATION'S BOARD OF DIRECTORS. THE AUDIT COMMITTEE OF THE BOARD REVIEWED THE FORM 990 AND, PRIOR TO ITS FILING, RECOMMENDED APPROVAL TO THE FULL BOARD.

CONFLICTS OF INTEREST - FORM 990, PART VI, LINE 12C

THE FOUNDATION'S BOARD OF DIRECTORS AND COMMITTEES MEET APPROXIMATELY SIX TIMES PER YEAR. AT EACH SUCH MEETING, OR GROUP OF MEETINGS, DIRECTORS ARE ASKED TO CONFIRM THEIR DISCLOSURE OR MAKE ANY NEW DISCLOSURES. WHEN A DIRECTOR DISCLOSES AN INTEREST IN A PROPOSED TRANSACTION, THE DIRECTOR DOES NOT PARTICIPATE IN THE DISCUSSION CONCERNING, OR THE VOTE UPON, THE PROPOSED TRANSACTION.

DETERMINING COMPENSATION - FORM 990, PART VI, LINE 15

THE PERSONNEL COMMITTEE OF THE BOARD OF DIRECTORS REVIEWED SALARY AND BENEFIT INFORMATION FOR POSITIONS COMPARABLE TO THE PRESIDENT AT OTHER NORTH CAROLINA FOUNDATIONS AND ENDOWMENTS AND NORTH CAROLINA STATE

Name of the organization	Employer identification number
THE GOLDEN L.E.A.F., INC	52-2204473

AGENCIES PRIOR TO MAKING A RECOMMENDATION TO THE BOARD REGARDING THE
PRESIDENT'S SALARY AND BENEFITS. THE BOARD APPROVED THE SALARY AND
BENEFITS OF THE PRESIDENT.

AVAILABILITY OF OTHER DOCUMENTS - FORM 990, PART VI, LINE 19
THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS AND CONFLICT OF INTEREST
POLICY AVAILABLE UPON REQUEST. THE FINANCIAL STATEMENTS ARE MADE
AVAILABLE ON THE ORGANIZATION'S WEBSITE AND UPON REQUEST.

CHANGES IN NET ASSETS - FORM 990, PART XI, LINE 9

CANCELLED GRANTS	6,908,350
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PASS-THROUGH UBI INCOME FROM K-1'S	(33,814)
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TOTAL	6,874,536
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DISPOSAL OF ASSETS - FORM 990, PART VI, LINE 7B

THE FOUNDATION MAY NOT DISPOSE OF ASSETS PURSUANT TO THE PROVISIONS OF
SECTION 55A-12-02 OF THE NORTH CAROLINA GENERAL STATUTES WITHOUT THE
APPROVAL OF THE NORTH CAROLINA GENERAL ASSEMBLY. THE FOUNDATION MAY NOT
AMEND ITS ARTICLES OF INCORPORATION WITHOUT THE APPROVAL OF THE NORTH
CAROLINA GENERAL ASSEMBLY.

OVERSIGHT/SELECTION PROCESS - FORM 990, PART XII, LINE 2C

THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

Name of the organization	Employer identification number
THE GOLDEN L.E.A.F., INC	52-2204473

ATTACHMENT 1

FORM 990, PART III - PROGRAM SERVICE, LINE 4A

THE PRIMARY PURPOSE FOR WHICH THIS CORPORATION WAS FORMED IS TO PROMOTE THE SOCIAL WELFARE AND LESSEN THE BURDENS OF GOVERNMENT BY RECEIVING AND DISTRIBUTING FUNDS TO BE USED TO PROVIDE ECONOMIC IMPACT ASSISTANCE TO ECONOMICALLY AFFECTED OR TOBACCO-DEPENDENT REGIONS OF NORTH CAROLINA. IN ACCORDANCE WITH THE CONSENT DECREE AND FINAL JUDGMENT IN STATE OF NORTH CAROLINA V. PHILLIP MORRIS INCORPORATED, ET AL., 98 CVS 14377. ACTIVITIES IN WHICH THE CORPORATION MAY ENGAGE IN THE STATE OF NORTH CAROLINA INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:

1. EDUCATION ASSISTANCE- PROVISION OF FUNDS FOR EDUCATIONAL PROGRAMS FOR TOBACCO FARMERS AND OTHER WORKERS IMPACTED OR PROJECTED TO BE IMPACTED BY THE DECLINE IN DEMAND FOR AND/OR PRODUCTION OF TOBACCO OR TOBACCO PRODUCTS.
2. JOB TRAINING AND EMPLOYMENT ASSISTANCE - PROVISION OF LOANS AND GRANTS, TO BE USED FOR JOB TRAINING AND OTHER EMPLOYMENT-RELATED PROGRAMS TO ORGANIZATIONS ASSISTING TOBACCO FARMERS AND OTHER WORKERS DEPENDENT ON TOBACCO FARMING, PRODUCTION AND SALES TO TRANSITION TO OTHER SOURCES OF INCOME.
3. SCIENTIFIC RESEARCH - PROVISION OF FUNDING FOR SCIENTIFIC RESEARCH TO DEVELOP NEW USES FOR TOBACCO OR FOR THE DEVELOPMENT OF ALTERNATIVE CASH CROPS.
4. ECONOMIC HARDSHIP ASSISTANCE - PROVISION OF DIRECT GRANTS, LOANS AND OTHER ASSISTANCE PROGRAMS TO ALLEVIATE ECONOMIC HARDSHIP, POVERTY OR NEED EXPERIENCED BY TOBACCO FARMERS, QUOTA OWNERS, THEIR FAMILIES AND OTHERS AS A RESULT OF DECLINE IN QUOTA AND/OR

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ATTACHMENT 1 (CONT'D)

PRODUCTION OF TOBACCO OR TOBACCO PRODUCTS.

5.PUBLIC WORKS AND INDUSTRIAL RECRUITMENT - PROVISION OF GRANTS

AND LOANS TO LOCAL GOVERNMENTS FOR UPGRADING UTILITIES,

TRANSPORTATION, AND OTHER PUBLIC SERVICE INFRASTRUCTURE TO ATTRACT

NEW BUSINESSES OR FOR MORE GENERAL ECONOMIC DEVELOPMENT PURPOSES.

6.HEALTH AND HUMAN SERVICES - PROVISION OF FUNDING FOR IMPROVED

HEALTH CARE AND OTHER SOCIAL SERVICES NEEDED TO MAINTAIN THE

STABILITY OF TOBACCO-DEPENDENT COMMUNITIES.

7.COMMUNITY ASSISTANCE - PROVISION OF DIRECT GRANTS AND LOANS TO

ECONOMICALLY DEPRESSED AND DETERIORATING TOBACCO-DEPENDENT

COMMUNITIES TO BE USED EXCLUSIVELY FOR PUBLIC PURPOSES.

ATTACHMENT 2990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
SILCHESTER INTERNATIONAL INVESTORS 780 THIRD AVE, 42ND FLR NEW YORK, NY 10017	INVESTMENT MNGMT	429,169.
DRZ 250 PARK AVE SOUTH, SUITE 250 WINTER PARK, FL 32789	INVESTMENT MNGMT	414,695.
ARTISAN PARTNERS 5 CONCOURSE PARKWAY, SUITE 2120 ATLANTA, GA 30328	INVESTMENT MNGMT	356,698.
THE BANK OF NEW YORK MELLON CORPORATION ONE WALL STREET NEW YORK, NY 10286	INVESTMENT CUSTODIAN	309,457.
PRIME, BUCHHOLZ & ASSOCIATES, INC. 25 CHESTNUT STREET PORTSMOUTH, NH 03801	INVESTMNT CONSULTING	254,643.