

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements.

Department of the Treasury Internal Revenue Service

A For the 2003 calendar year, or tax year beginning Jul 1, 2003, and ending Jun 30, 2004

B Check if applicable:

- Address change
Name change
Initial return
Final return
Amended return
Application pending

Please use IRS label or print or type. See specific instructions.

C Name of organization

Wake Forest University Development Foundation

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

Room/suite

P.O. Box 7201

City, town or country

State ZIP code + 4

Winston-Salem

NC 27109

D Employer Identification Number

56-2038194

E Telephone number

(336) 758-4096

F Accounting method:

Cash [ ] Accrual [X]

Other (specify) [ ]

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H (a) Is this a group return for affiliates? Yes [ ] No [X]

H (b) If 'Yes,' enter number of affiliates: [ ]

H (c) Are all affiliates included? Yes [ ] No [ ]

(If 'No,' attach a list. See instructions.)

H (d) Is this a separate return filed by an organization covered by a group ruling? Yes [ ] No [ ]

I Group Exemption Number: N/A

M Check [ ] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

G Web site: www.wfu.edu

J Organization type

(check only) 501(c) 3 4947(a)(1) or 527

K Check here [ ] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12. 213,275.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

Table with columns for Revenue, Expenses, and Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less: rental expenses; 6c Net rental income or (loss); 7 Other investment income (describe: Interest); 8a Gross amount from sales of assets other than inventory; 8b Less: cost or other basis and sales expenses; 8c Gain or (loss) (attach schedule); 8d Net gain or (loss); 9 Special events and activities (attach schedule); 9a Gross revenue (not including \$ of contributions reported on line 1a); 9b Less: direct expenses other than fundraising expenses; 9c Net income or (loss) from special events; 10a Gross sales of inventory, less returns and allowances; 10b Less: cost of goods sold; 10c Gross profit or (loss) from sales of inventory; 11 Other revenue (from Part VII, line 103); 12 Total revenue; 13 Program services (from line 44, column (B)); 14 Management and general (from line 44, column (C)); 15 Fundraising (from line 44, column (D)); 16 Payments to affiliates (attach schedule); 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.

**Part II Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) (cash \$ 341,424. non-cash \$ _____) . . . . .	22 341,424.	341,424.		
23	Specific assistance to individuals (att sch) . . . . .	23			
24	Benefits paid to or for members (att sch) . . . . .	24			
25	Compensation of officers, directors, etc . . . . .	25 0.	0.	0.	0.
26	Other salaries and wages . . . . .	26			
27	Pension plan contributions . . . . .	27			
28	Other employee benefits . . . . .	28			
29	Payroll taxes . . . . .	29			
30	Professional fundraising fees . . . . .	30			
31	Accounting fees . . . . .	31 2,037.	2,037.	0.	0.
32	Legal fees . . . . .	32			
33	Supplies . . . . .	33			
34	Telephone . . . . .	34			
35	Postage and shipping . . . . .	35			
36	Occupancy . . . . .	36			
37	Equipment rental and maintenance . . . . .	37			
38	Printing and publications . . . . .	38			
39	Travel . . . . .	39			
40	Conferences, conventions, and meetings . . . . .	40			
41	Interest . . . . .	41			
42	Depreciation, depletion, etc (attach schedule) . . . . .	42			
43	Other expenses not covered above (itemize):				
a	Miscellaneous . . . . .	43 a 389.	389.	0.	0.
b	Property Tax on Non-Rental Property . . . . .	43 b 3,507.	3,507.	0.	0.
c	Utilities . . . . .	43 c 463.	463.	0.	0.
d	Bank Fees . . . . .	43 d 30.	30.	0.	0.
e	_____ . . . . .	43 e			
44	Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15 . . . . .	44 347,850.	347,850.	0.	0.

**Joint Costs.** Check  if you are following SOP 98-2.  
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? . . . . .  Yes  No  
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_; (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_.

**Part III Statement of Program Service Accomplishments**

What is the organization's primary exempt purpose? <input type="checkbox"/> Charitable <input checked="" type="checkbox"/> Educational	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
a Support Wake Forest University by serving as the recipient of contributed properties to be held temporarily (Grants and allocations \$ 0. )	347,850.
b _____ (Grants and allocations \$ _____ )	
c _____ (Grants and allocations \$ _____ )	
d _____ (Grants and allocations \$ _____ )	
e Other program services . . . . . (Grants and allocations \$ _____ )	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) . . . . .	347,850.

**Part IV Balance Sheets** (See Instructions)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
ASSETS	<b>45</b> Cash — non-interest-bearing . . . . .	31,486.	<b>45</b>	22,574.
	<b>46</b> Savings and temporary cash investments . . . . .		<b>46</b>	
	<b>47 a</b> Accounts receivable . . . . .	<b>47 a</b> 649.		
	<b>b</b> Less: allowance for doubtful accounts . . . . .	<b>47 b</b> 0.	9,000.	<b>47 c</b> 649.
	<b>48 a</b> Pledges receivable . . . . .	<b>48 a</b>		
	<b>b</b> Less: allowance for doubtful accounts . . . . .	<b>48 b</b>		<b>48 c</b>
	<b>49</b> Grants receivable . . . . .			<b>49</b>
	<b>50</b> Receivables from officers, directors, trustees, and key employees (attach schedule) . . . . .			<b>50</b>
	<b>51 a</b> Other notes & loans receivable (attach sch) . . . . .	<b>51 a</b> 68,691.		
	<b>b</b> Less: allowance for doubtful accounts . . . . .	<b>51 b</b> 0.	295,807.	<b>51 c</b> 68,691.
	<b>52</b> Inventories for sale or use . . . . .			<b>52</b>
	<b>53</b> Prepaid expenses and deferred charges . . . . .			<b>53</b>
	<b>54</b> Investments — securities (attach schedule) . . . . .	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		<b>54</b>
	<b>55 a</b> Investments — land, buildings, & equipment: basis . . . . .	<b>55 a</b> 279,000.		
<b>b</b> Less: accumulated depreciation (attach schedule) . . . . .	<b>55 b</b> 0.	297,825.	<b>55 c</b> 279,000.	
<b>56</b> Investments — other (attach schedule) . . . . .			<b>56</b>	
<b>57 a</b> Land, buildings, and equipment: basis . . . . .	<b>57 a</b>			
<b>b</b> Less: accumulated depreciation (attach schedule) . . . . .	<b>57 b</b>		<b>57 c</b>	
<b>58</b> Other assets (describe <input type="checkbox"/> ) . . . . .			<b>58</b>	
<b>59 Total assets</b> (add lines 45 through 58) (must equal line 74) . . . . .		634,118.	<b>59</b>	370,914.
LIABILITIES	<b>60</b> Accounts payable and accrued expenses . . . . .	41,437.	<b>60</b>	35,000.
	<b>61</b> Grants payable . . . . .		<b>61</b>	
	<b>62</b> Deferred revenue . . . . .		<b>62</b>	
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .		<b>63</b>	
	<b>64 a</b> Tax-exempt bond liabilities (attach schedule) . . . . .		<b>64 a</b>	
	<b>b</b> Mortgages and other notes payable (attach schedule) . . . . .		<b>64 b</b>	
	<b>65</b> Other liabilities (describe <input type="checkbox"/> ) . . . . .		0.	<b>65</b>
<b>66 Total liabilities</b> (add lines 60 through 65) . . . . .		41,437.	<b>66</b>	35,000.
NET ASSETS OR FUND BALANCES	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	<b>67</b> Unrestricted . . . . .	257,594.	<b>67</b>	248,576.
	<b>68</b> Temporarily restricted . . . . .	335,087.	<b>68</b>	87,338.
	<b>69</b> Permanently restricted . . . . .	0.	<b>69</b>	0.
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> and complete lines 70 through 74.			
	<b>70</b> Capital stock, trust principal, or current funds . . . . .		<b>70</b>	
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund . . . . .		<b>71</b>	
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>72</b>	
	<b>73 Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21) . . . . .	592,681.	<b>73</b>	335,914.
	<b>74 Total liabilities and net assets/fund balances</b> (add lines 66 and 73) . . . . .	634,118.	<b>74</b>	370,914.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** (See instructions.)

**Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return**

<b>a</b>	Total revenue, gains, and other support per audited financial statements . . . . . ▶	<b>a</b>	140,975.
<b>b</b>	Amounts included on line <b>a</b> but not on line 12, Form 990:		
(1)	Net unrealized gains on investments . . . \$ _____		
(2)	Donated services and use of facilities . . . \$ 47,300.		
(3)	Recoveries of prior year grants . . . . \$ _____		
(4)	Other (specify): _____ _____ \$ _____		
	Add amounts on lines (1) through (4) . . . ▶	<b>b</b>	47,300.
<b>c</b>	Line <b>a</b> minus line <b>b</b> . . . . . ▶	<b>c</b>	93,675.
<b>d</b>	Amounts included on line 12, Form 990 but not on line <b>a</b> :		
(1)	Investment expenses not included on line 6b, Form 990 . . . \$ _____		
(2)	Other (specify): Rent Exp _____ _____ \$ -2,592.		
	Add amounts on lines (1) and (2) . . ▶	<b>d</b>	-2,592.
<b>e</b>	Total revenue per line 12, Form 990 (line <b>c</b> plus line <b>d</b> ) . . . . . ▶	<b>e</b>	91,083.

<b>a</b>	Total expenses and losses per audited financial statements . . . . . ▶	<b>a</b>	397,742.
<b>b</b>	Amounts included on line <b>a</b> but not on line 17, Form 990:		
(1)	Donated services and use of facilities . . . . \$ 47,300.		
(2)	Prior year adjustments reported on line 20, Form 990 . . \$ _____		
(3)	Losses reported on line 20, Form 990 . . \$ _____		
(4)	Other (specify): Rent Exp _____ _____ \$ 2,592.		
	Add amounts on lines (1) through (4) . . . ▶	<b>b</b>	49,892.
<b>c</b>	Line <b>a</b> minus line <b>b</b> . . . . . ▶	<b>c</b>	347,850.
<b>d</b>	Amounts included on line 17, Form 990 but not on line <b>a</b> :		
(1)	Investment expenses not included on line 6b, Form 990 . . . \$ _____		
(2)	Other (specify): _____ _____ \$ _____		
	Add amounts on lines (1) and (2) . . ▶	<b>d</b>	
<b>e</b>	Total expenses per line 17, Form 990 (line <b>c</b> plus line <b>d</b> ) . . . . . ▶	<b>e</b>	347,850.

**Part V List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated; see instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
<u>Dr. Thomas K. Hearn, Jr.</u> <u>PO Box 7226, Winston-Salem, NC 27109</u>	President 1	0.	0.	0.
<u>Dr. John P. Anderson</u> <u>P.O. Box 7249, Winston-Salem, NC 27109</u>	VP Finance & Admin 1	0.	0.	0.
----- -----				
<u>Mr. Louis R. Morrell</u> <u>P.O. Box 7354, Winston-Salem, NC 27109</u>	Treasurer 1	0.	0.	0.
<u>Mr. James Reid Morgan</u> <u>P.O. Box 7656, Winston-Salem, NC 27109</u>	Secretary 1	0.	0.	0.
----- <u>See List of Officers, Etc. Statement</u>		0.	0.	0.

**75** Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$10,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? . . . . . ▶  Yes  No  
If 'Yes,' attach schedule — see instructions.

**Part VI Other Information** (See instructions.)

		Yes	No
<b>76</b>	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity . . . . .	<b>76</b>	X
<b>77</b>	Were any changes made in the organizing or governing documents but not reported to the IRS? . . . . . If 'Yes,' attach a conformed copy of the changes.	<b>77</b>	X
<b>78 a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .	<b>78 a</b>	X
<b>b</b>	If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year? . . . . .	<b>78 b</b>	
<b>79</b>	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement . . . . .	<b>79</b>	X
<b>80 a</b>	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc. to any other exempt or nonexempt organization? . . . . .	<b>80 a</b>	X
<b>b</b>	If 'Yes,' enter the name of the organization ▶ <u>Wake Forest University, Wake Forest University Foundation, Wake Forest University Health Sciences</u> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
<b>81 a</b>	Enter direct and indirect political expenditures. See line 81 instructions . . . . .	<b>81 a</b>	0.
<b>b</b>	Did the organization file <b>Form 1120-POL</b> for this year? . . . . .	<b>81 b</b>	X
<b>82 a</b>	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? . . . . .	<b>82 a</b>	X
<b>b</b>	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) . . . . .	<b>82 b</b>	47,300.
<b>83 a</b>	Did the organization comply with the public inspection requirements for returns and exemption applications? . . . . .	<b>83 a</b>	X
<b>b</b>	Did the organization comply with the disclosure requirements relating to quid pro quo contributions? . . . . .	<b>83 b</b>	X
<b>84 a</b>	Did the organization solicit any contributions or gifts that were not tax deductible? . . . . .	<b>84 a</b>	X
<b>b</b>	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>84 b</b>	
<b>85</b>	<b>501(c)(4), (5), or (6) organizations.</b> <b>a</b> Were substantially all dues nondeductible by members? . . . . .	<b>85 a</b>	N/A
<b>b</b>	Did the organization make only in-house lobbying expenditures of \$2,000 or less? . . . . . If 'Yes' was answered to either 85a or 85b, <b>do not</b> complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	<b>85 b</b>	N/A
<b>c</b>	Dues, assessments, and similar amounts from members . . . . .	<b>85 c</b>	N/A
<b>d</b>	Section 162(e) lobbying and political expenditures . . . . .	<b>85 d</b>	N/A
<b>e</b>	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices. . . . .	<b>85 e</b>	N/A
<b>f</b>	Taxable amount of lobbying and political expenditures (line 85d less 85e). . . . .	<b>85 f</b>	N/A
<b>g</b>	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? . . . . .	<b>85 g</b>	N/A
<b>h</b>	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? . . . . .	<b>85 h</b>	N/A
<b>86</b>	<b>501(c)(7) organizations.</b> Enter: <b>a</b> Initiation fees and capital contributions included on line 12 . . . . .	<b>86 a</b>	N/A
<b>b</b>	Gross receipts, included on line 12, for public use of club facilities . . . . .	<b>86 b</b>	N/A
<b>87</b>	<b>501(c)(12) organizations.</b> Enter: <b>a</b> Gross income from members or shareholders. . . . .	<b>87 a</b>	N/A
<b>b</b>	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . .	<b>87 b</b>	N/A
<b>88</b>	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX . . . . .	<b>88</b>	X
<b>89 a</b>	<b>501(c)(3) organizations.</b> Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ <u>0.</u> ; section 4912 ▶ <u>0.</u> ; section 4955 ▶ <u>0.</u>		
<b>b</b>	<b>501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction . . . . .	<b>89 b</b>	X
<b>c</b>	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . . . . ▶ <u>0.</u>		
<b>d</b>	Enter: Amount of tax on line 89c, above, reimbursed by the organization . . . . . ▶ <u>0.</u>		
<b>90 a</b>	List the states with which a copy of this return is filed ▶ <u>None</u>		
<b>b</b>	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.) . . . . .	<b>90 b</b>	0
<b>91</b>	The books are in care of ▶ <u>Maureen L. Carpenter</u> Telephone number ▶ <u>(336) 758-5233</u> Located at ▶ <u>Wake Forest University, P.O. Box 7201, Winston-Salem NC</u> ZIP + 4 ▶ <u>27109</u>		
<b>92</b>	<b>Section 4947(a)(1) nonexempt charitable trusts filling Form 990 in lieu of Form 1041</b> – Check here . . . . . ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year . . . . . ▶ <b>92</b>		

**Part VII Analysis of Income-Producing Activities** (See instructions.)

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>93</b> Program service revenue:					
a _____			N/A		
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments . . . . .					
g Fees & contracts from government agencies . . . . .					
<b>94</b> Membership dues and assessments . . . . .					
<b>95</b> Interest on savings & temporary cash invmnts. . . . .					
<b>96</b> Dividends & interest from securities . . . . .					
<b>97</b> Net rental income or (loss) from real estate:					
a debt-financed property . . . . .					
b not debt-financed property . . . . .			16	1,683.	
<b>98</b> Net rental income or (loss) from pers prop . . . . .					
<b>99</b> Other investment income . . . . .			14	3,111.	
<b>100</b> Gain or (loss) from sales of assets other than inventory . . . . .			18	15,414.	
<b>101</b> Net income or (loss) from special events . . . . .					
<b>102</b> Gross profit or (loss) from sales of inventory . . . . .					
<b>103</b> Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
<b>104</b> Subtotal (add columns (B), (D), and (E)) . . . . .				20,208.	
<b>105 Total</b> (add line 104, columns (B), (D), and (E)) . . . . .					20,208.

**Note:** Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	N/A

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See instructions.) N/A

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See instructions.)

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

**Note:** If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

**Please Sign Here**

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.

Signature of officer: \_\_\_\_\_ Date: \_\_\_\_\_

Maureen L. Carpenter, Controller  
Type or print name and title

**Paid Preparer's Use Only**

Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_

Firm's name (or yours if self-employed) address, and ZIP + 4: **Non-Paid Preparer**

Check if self-employed:  EIN: \_\_\_\_\_

Preparer's SSN or PTIN (see General Instruction W): \_\_\_\_\_ Phone no.: \_\_\_\_\_

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Organization Exempt Under**  
**Section 501(c)(3)**

**(Except Private Foundation) and Section 501(e), 501(f), 501(k),**  
**501(n), or Section 4947(a)(1) Nonexempt Charitable Trust**

**Supplementary Information — (See separate instructions.)**

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

**2003**

Department of the Treasury  
Internal Revenue Service

Name of the organization

Wake Forest University Development Foundation

Employer identification number

56-2038194

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				
-----				
-----				
-----				
-----				
Total number of other employees paid over \$50,000 . . . . . ▶	None			

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

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

**Part III** Statements About Activities (See instructions.)

Yes No

1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities . . . . ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) . . . . .	1		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes,' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.				
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)			
a	Sale, exchange, or leasing of property? . . . . .	2 a		X
b	Lending of money or other extension of credit? . . . . .	2 b		X
c	Furnishing of goods, services, or facilities? . . . . .	2 c		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . .	2 d		X
e	Transfer of any part of its income or assets? . . . . .	2 e		X
3 a	Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments.) . . . . .	3 a		X
b	Do you have a section 403(b) annuity plan for your employees? . . . . .	3 b		X
4	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds? . . . . .	4		X

**Part IV** Reason for Non-Private Foundation Status (See instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6  A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7  A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8  A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9  A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11 a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11 b  A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12  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 charitable, etc, 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above
Wake Forest University	6
Wake Forest University Health Sciences	6

- 14  An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

N/A

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Table with columns (a) 2002, (b) 2001, (c) 2000, (d) 1999, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions; 18 Gross income from interest, dividends; 19 Net income from unrelated business activities; 20 Tax revenues levied; 21 Value of services or facilities; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23; 26 Organizations described on lines 10 or 11; 27 Organizations described on line 12; 28 Unusual Grants.

**Part V Private School Questionnaire** (See instructions.)  
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? . . . . .		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? . . . . .		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? . . . . . If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32	Does the organization maintain the following:		
	a Records indicating the racial composition of the student body, faculty, and administrative staff? . . . . .		
	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? . . . . .		
	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? . . . . .		
	d Copies of all material used by the organization or on its behalf to solicit contributions? . . . . .  If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
33	Does the organization discriminate by race in any way with respect to:		
	a Students' rights or privileges? . . . . .		
	b Admissions policies? . . . . .		
	c Employment of faculty or administrative staff? . . . . .		
	d Scholarships or other financial assistance? . . . . .		
	e Educational policies? . . . . .		
	f Use of facilities? . . . . .		
	g Athletic programs? . . . . .		
	h Other extracurricular activities? . . . . .  If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
34 a	Does the organization receive any financial aid or assistance from a governmental agency? . . . . .		
	b Has the organization's right to such aid ever been revoked or suspended? . . . . . If you answered 'Yes' to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation. . . . .		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See instructions.)  
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check **a**  if the organization belongs to an affiliated group. Check **b**  if you checked 'a' and 'limited control' provisions apply.

**Limits on Lobbying Expenditures**

(The term 'expenditures' means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying) . . . . .	<b>36</b>	
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .	<b>37</b>	
<b>38</b>	Total lobbying expenditures (add lines 36 and 37) . . . . .	<b>38</b>	
<b>39</b>	Other exempt purpose expenditures . . . . .	<b>39</b>	
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39) . . . . .	<b>40</b>	
<b>41</b>	Lobbying nontaxable amount. Enter the amount from the following table — <b>If the amount on line 40 is —</b> <b>The lobbying nontaxable amount is —</b> Not over \$500,000 . . . . . 20% of the amount on line 40 . . . . . 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 . . . . .	<b>41</b>	
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41) . . . . .	<b>42</b>	
<b>43</b>	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 . . . . .	<b>43</b>	
<b>44</b>	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 . . . . .	<b>44</b>	
<b>Caution:</b> If there is an amount on either line 43 or line 44, you must file Form 4720.			

**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 45 through 50.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
<b>45</b> Lobbying nontaxable amount . . . . .					
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) . . . . .					
<b>47</b> Total lobbying expenditures . . . . .					
<b>48</b> Grassroots non-taxable amount . . . . .					
<b>49</b> Grassroots ceiling amount (150% of line 48(e)) . . . . .					
<b>50</b> Grassroots lobbying expenditures . . . . .					

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

- a** Volunteers . . . . .
- b** Paid staff or management (Include compensation in expenses reported on lines **c** through **h**.) . . . . .
- c** Media advertisements . . . . .
- d** Mailings to members, legislators, or the public . . . . .
- e** Publications, or published or broadcast statements . . . . .
- f** Grants to other organizations for lobbying purposes. . . . .
- g** Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .
- h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .
- i** Total lobbying expenditures (add lines **c** through **h**.) . . . . .

Yes	No	Amount
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities.



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

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

Supplementary information for  
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No. 1545-0047

**2003**

Name of organization

Employer identification number

Wake Forest University Development Foundation

56-2038194

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- 501(c)(   3   ) (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General Rule and a Special Rule – see instructions.)

**General Rule –**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules –**

- For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year.) . . . . . ▶ \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 1 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

**BAA For Paperwork Reduction Act Notice, see the instructions for Form 990 and Form 990-EZ.**

Schedule B (Form 990, 990-EZ, or 990-PF) (2003)

Name of organization Wake Forest University Development Foundation	Employer identification number 56-2038194
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**Part I Contributors** (See Specific Instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2		\$ 39,900.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3		\$ 30,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

Wake Forest University Development Foundation

56-2038194

**Part II** Noncash Property (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	Vacant Lot, Charles Street, Boone, NC	\$ 20,000.	11/30/03
2	Lot 56, Cottage Lots Neighborhood, Uwharrie Point Subdivision, Montgomer County, NC	\$ 39,900.	01/31/04
3	Lot 9, Block R, High Meadows Estates, Alleghany County, NC	\$ 30,000.	12/30/03
---	-----	\$ -----	-----
---	-----	\$ -----	-----
---	-----	\$ -----	-----

Name Wake Forest University Development Foundation	Employer Identification Number 56-2038194
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**Part I, Line 8, Column (A) Securities**

**Public Securities**

Description	Gross Sales Price	Basis	
Publicly Traded Securities		Cost	
		Selling Expenses	
		Basis	

**Nonpublic Securities**

Description	Date Acquired and Method	Date Sold and to Whom	Gross Sales Price	Cost, other basis or FMV when donated (State which on top)
-----	-----	-----		-----
-----	-----	-----		-----
-----	-----	-----		-----
-----	-----	-----		-----
-----	-----	-----		-----
<b>Total Securities</b> . . . . .				

**Gain or (Loss) from Sale of Securities** . . . . .

**Part I, Line 8, Column (B) Other Assets**

Description	Date Acquired and Method	Date Sold and to Whom	Gross Sales Price	Cost, other basis or FMV when donated	
Land	11/30/03 Donation	06/22/04	23,000.	Cost	
				Depreciation	
				Basis	
				Donation FMV	20,000.
Land	07/31/03 Donation	04/21/04	2,631.	Cost	
				Depreciation	
				Basis	
				Donation FMV	4,600.
Building	06/30/03 Donation	05/28/04	109,383.	Cost	
				Depreciation	
				Basis	
				Donation FMV	95,000.
				Cost	
				Depreciation	
				Basis	
				Donation FMV	
<b>Total Other Assets</b> . . . . .			135,014.		119,600.

**Gain or (Loss) from Sale of Other Assets** . . . . . 15,414.

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**Additional Information**

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Form 990, Part IV, Line 55 Statement

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These investments represent gifts of property held for the benefit of Wake Forest University.  
These property investments are held-for-sale and are not depreciated.

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**Additional Information**

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Form 990, Part I, Line 22 Statement

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Represents transfers of property from the Wake Forest University  
Development Foundation to Wake Forest University, PO Box 7201 Reynolda  
Station, Winston-Salem, NC 27109-7201.

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Form 990, Page 3, Part IV, Lines 55a &amp; 55b

**Investments - Land, Buildings and Equipment Statement**

	<b>(a)</b> Cost/Other Basis	<b>(b)</b> Accumulated Depreciation	<b>(c)</b> Book Value
Land and Buildings	279,000.	0.	279,000.
<b>Total</b>	<u>279,000.</u>	<u>0.</u>	<u>279,000.</u>

Form 990, Page 4, Part V

**List of Officers, Etc. Statement**

<b>(A)</b> Name and address	<b>(B)</b> Title and average hours per week devoted to position	<b>(C)</b> Compensation (if not paid, enter -0-)	<b>(D)</b> Contributions to employee benefit plans and deferred compensation	<b>(E)</b> Expense account and other allowances
<u>Ms. Nancy S. Moore</u> P.O. Box 7656, Winston-Salem, NC 27109	Assistant Secretary 1	0.	0.	0.
<u>Mr. Simpson O. Brown, Jr.</u> P.O. Box 7656, Winston-Salem, NC 27109	Trustee 1	0.	0.	0.
<u>Mr. Martin L. Garcia</u> P.O. Box 7656, Winston-Salem, NC 27109	Trustee 1	0.	0.	0.
<u>Mr. Harvey R. Holding</u> P.O. Box 7656, Winston-Salem, NC 27109	Trustee 1	0.	0.	0.
<u>Mr. James W. Johnston</u> P.O. Box 7656, Winston-Salem, NC 27109	Trustee 1	0.	0.	0.
<u>Mr. Ted R. Meredith</u> P.O. Box 7656, Winston-Salem, NC 27109	Trustee 1	0.	0.	0.
<u>Ms. Adelaide A. Sink</u> PO Box 7656, Winston-Salem, NC 27109	Trustee 1	0.	0.	0.
<u>Mr. C. C. Cameron</u> PO Box 7656, Winston-Salem, NC 27109	Honorary Trustee 1	0.	0.	0.
<u>Mr. Charles W. Cheek</u> PO Box 7656, Winston-Salem, NC 27109	Honorary Trustee 1	0.	0.	0.
<u>Mr. James E. Johnson, Jr.</u> PO Box 7656, Winston-Salem, NC 27109	Honorary Trustee 1	0.	0.	0.
<u>Mr. Petro Kulynych</u> PO Box 7656, Winston-Salem, NC 27109	Honorary Trustee 1	0.	0.	0.

Form 990, Page 4, Part V

Continued

**List of Officers, Etc. Statement**

<b>(A)</b> Name and address	<b>(B)</b> Title and average hours per week devoted to position	<b>(C)</b> Compensation <b>(if not paid, enter -0-)</b>	<b>(D)</b> Contributions to employee benefit plans and deferred compensation	<b>(E)</b> Expense account and other allowances
Mr. Zachary T. Smith PO Box 7656, Winston-Salem, NC 27109	Honorary Trustee 1	0.	0.	0.

Total

0.      0.      0.