

Return of Organization Exempt from Income Tax

2004

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

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2004 calendar year, or tax year beginning 7/01, **2004, and ending** 6/30, **2005**

- 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.

Wake Forest University
P.O. Box 7201
Winston-Salem, NC 27109

D Employer Identification Number
56-0532138

E Telephone number
336-758-5233

F Accounting method: Cash Accrual
 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

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

G Web site: ▶ www.wfu.edu

J Organization type (check only one) 501(c) 3 (insert no.) 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.**

I Group Exemption Number. . . ▶

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 699,323,209.

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

REVENUE	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1 a	24,699,947.		
	b Indirect public support	1 b			
	c Government contributions (grants)	1 c	6,794,413.		
	d Total (add lines 1a through 1c) (cash \$ 29,024,618. noncash \$ 2,469,742.)	1 d			31,494,360.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			165,322,089.
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			753,642.
	5 Dividends and interest from securities	5			9,464,938.
	6a Gross rents	6 a	15,713,063.		
	b Less: rental expenses	6 b	12,163,919.		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6 c			3,549,144.
7 Other investment income (describe)	7				
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	432,270,000.	8 a			
	414,877,982.	8 b			
	17,392,018.	8 c			
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8 d			17,392,018.	
9 Special events and activities (attach schedule). If any amount is from gaming, check here. <input type="checkbox"/>	a Gross revenue (not including \$ _____ of contributions reported on line 1a)				
		9 a			
	b Less: direct expenses other than fundraising expenses				
		9 b			
c Net income or (loss) from special events (subtract line 9b from line 9a)	9 c				
10a Gross sales of inventory, less returns and allowances	10 a	7,918,951.			
	b Less: cost of goods sold	10 b	4,605,253.		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10 c			3,313,698.
11 Other revenue (from Part VII, line 103)	11			36,386,166.	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			267,676,055.	
EXPENSES	13 Program services (from line 44, column (B))	13			221,564,157.
	14 Management and general (from line 44, column (C))	14			23,597,345.
	15 Fundraising (from line 44, column (D))	15			3,339,236.
	16 Payments to affiliates (attach schedule)	16			
17 Total expenses (add lines 16 and 44, column (A))	17			248,500,738.	
ASSETS	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18			19,175,317.
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			635,431,557.
	20 Other changes in net assets or fund balances (attach explanation) See Statement 1	20			21,852,321.
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			676,459,195.

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) See Stm 2 (cash \$ 54656730. non-cash \$ _____)	54,656,730.	54,656,730.		
23	Specific assistance to individuals (att sch)				
24	Benefits paid to or for members (att sch)				
25	Compensation of officers, directors, etc.	1,825,752.		1,825,752.	
26	Other salaries and wages	93,018,617.	79,592,478.	11,075,396.	2,350,743.
27	Pension plan contributions	7,036,824.	5,905,234.	957,180.	174,410.
28	Other employee benefits	10,330,066.	8,668,892.	1,405,141.	256,033.
29	Payroll taxes	6,486,757.	5,443,624.	882,357.	160,776.
30	Professional fundraising fees				
31	Accounting fees	135,449.		135,449.	
32	Legal fees	86,566.		86,566.	
33	Supplies	4,546,240.	4,176,226.	241,535.	128,479.
34	Telephone	565,682.	290,698.	254,399.	20,585.
35	Postage and shipping	620,953.	344,499.	259,122.	17,332.
36	Occupancy	8,792,919.	8,792,919.		
37	Equipment rental and maintenance	1,632,313.	715,384.	911,625.	5,304.
38	Printing and publications	2,066,227.	1,913,996.	50,951.	101,280.
39	Travel	7,099,566.	6,655,038.	392,289.	52,239.
40	Conferences, conventions, and meetings	1,000,919.	856,039.	143,983.	897.
41	Interest	3,133,565.	3,133,565.		
42	Depreciation, depletion, etc (attach schedule)	17,515,451.	17,515,451.		
43	Other expenses not covered above (itemize):				
a	See Statement 3	27,950,142.	22,903,384.	4,975,600.	71,158.
b					
c					
d					
e					
44	Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15.	248,500,738.	221,564,157.	23,597,345.	3,339,236.

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? <u>Education and Research</u>	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
a <u>See Statement 4</u> _____ _____ _____ (Grants and allocations \$ 54,656,730.)	221,564,157.
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)	221,564,157.

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	45 Cash — non-interest-bearing		45		
	46 Savings and temporary cash investments	27,237,609.	46	35,155,983.	
	47a Accounts receivable	4,619,352.			
	b Less: allowance for doubtful accounts	926,005.	2,643,386.	47c	3,693,347.
	48a Pledges receivable	50,339,950.			
	b Less: allowance for doubtful accounts	9,376,385.	41,968,385.	48c	40,963,565.
	49 Grants receivable	782,644.	49	1,100,696.	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50		
	51a Other notes & loans receivable (attach sch.)	19,825,118.			
	b Less: allowance for doubtful accounts	305,508.	18,739,683.	51c	19,519,610.
	52 Inventories for sale or use	2,127,687.	52	1,875,968.	
	53 Prepaid expenses and deferred charges	2,300,417.	53	1,800,753.	
	54 Investments — securities (attach schedule) .. See St. 5	427,434,791.	54	420,672,157.	
	<input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV				
	55a Investments — land, buildings, & equipment: basis ..	46,948,708.			
	b Less: accumulated depreciation (attach schedule) .. See Statement 6	19,641,096.	28,622,247.	55c	27,307,612.
	56 Investments — other (attach schedule) .. See Stmt. 7	2,588,800.	56	58,258,511.	
	57a Land, buildings, and equipment: basis	476,179,123.			
	b Less: accumulated depreciation (attach schedule) .. See Statement 8	247,711,309.	230,391,031.	57c	228,467,814.
58 Other assets (describe ▶ See Statement 9) ..	488,129.	58	554,579.		
59 Total assets (add lines 45 through 58) (must equal line 74) ..	785,324,809.	59	839,370,595.		
LIABILITIES	60 Accounts payable and accrued expenses	12,872,136.	60	14,033,723.	
	61 Grants payable	10,911,286.	61	10,831,037.	
	62 Deferred revenue	5,295,137.	62	11,530,242.	
	63 Loans from officers, directors, trustees, and key employees (attach schedule) ..		63		
	64a Tax-exempt bond liabilities (attach schedule) ..	59,395,000.	64a	69,795,000.	
	b Mortgages and other notes payable (attach schedule) ..	29,457,944.	64b	17,035,319.	
	65 Other liabilities (describe ▶ See Statement 10) ..	31,961,749.	65	39,686,079.	
66 Total liabilities (add lines 60 through 65) ..	149,893,252.	66	162,911,400.		
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted	345,274,098.	67	362,804,422.	
	68 Temporarily restricted	145,344,174.	68	158,236,690.	
	69 Permanently restricted	144,813,285.	69	155,418,083.	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21) ..	635,431,557.	73	676,459,195.	
	74 Total liabilities and net assets/fund balances (add lines 66 and 73) ..	785,324,809.	74	839,370,595.	

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

a	Total revenue, gains, and other support per audited financial statements. ▶	a	263,610,651.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments. . . . \$ 21,852,321.		
(2)	Donated services and use of facilities. . . . \$		
(3)	Recoveries of prior year grants. . . . \$		
(4)	Other (specify):		
	See Stm 11 \$ 16,769,172.		
	Add amounts on lines (1) through (4). . . . ▶	b	38,621,493.
c	Line a minus line b ▶	c	224,989,158.
d	Amounts included on line 12, Form 990 but not on line a :		
(1)	Investment expenses not included on line 6b, Form 990. . . . \$		
(2)	Other (specify):		
	See Stm 12 \$ 42,686,897.		
	Add amounts on lines (1) and (2). . . ▶	d	42,686,897.
e	Total revenue per line 12, Form 990 (line c plus line d). ▶	e	267,676,055.

a	Total expenses and losses per audited financial statements. ▶	a	222,583,013.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities. . . . \$		
(2)	Prior year adjustments reported on line 20, Form 990. . . \$		
(3)	Losses reported on line 20, Form 990. . . \$		
(4)	Other (specify):		
	See Stmt 13 \$ 16,769,172.		
	Add amounts on lines (1) through (4). . . . ▶	b	16,769,172.
c	Line a minus line b ▶	c	205,813,841.
d	Amounts included on line 17, Form 990 but not on line a :		
(1)	Investment expenses not included on line 6b, Form 990. . . . \$		
(2)	Other (specify):		
	See Stmt 14 \$ 42,686,897.		
	Add amounts on lines (1) and (2). . . ▶	d	42,686,897.
e	Total expenses per line 17, Form 990 (line c plus line d). ▶	e	248,500,738.

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
See Statement 15				
		1,382,290.	352,649.	443,462.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 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
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity.		X
77	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.		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
78b	If 'Yes,' has it filed a tax return on Form 990-T for this year?	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement.		X
80a	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?	X	
80b	If 'Yes,' enter the name of the organization See Statement 16		
81a	Enter direct and indirect political expenditures. See line 81 instructions. <input checked="" type="checkbox"/> exempt or <input checked="" type="checkbox"/> nonexempt.		
81b	Did the organization file Form 1120-POL for this year?		X
82a	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?		X
82b	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.)		N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85a	501(c)(4), (5), or (6) organizations. Were substantially all dues nondeductible by members?		N/A
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		N/A
85c	Dues, assessments, and similar amounts from members.		N/A
85d	Section 162(e) lobbying and political expenditures.		N/A
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices.		N/A
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e).		N/A
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A
85h	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?		N/A
86a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12.		N/A
86b	Gross receipts, included on line 12, for public use of club facilities		N/A
87a	501(c)(12) organizations. Enter: a Gross income from members or shareholders		N/A
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		N/A
88	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.	X	
89a	501(c)(3) organizations. 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>		
89b	501(c)(3) and 501(c)(4) organizations. 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.		X
	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.		0.
	d Enter: Amount of tax on line 89c, above, reimbursed by the organization		0.
90a	List the states with which a copy of this return is filed None		
90b	Number of employees employed in the pay period that includes March 12, 2004 (See instructions.)		1,941
91	The books are in care of Maureen L. Carpenter Telephone number 336-758-4534 Located at P.O. Box 7201 ZIP + 4 27109		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here. <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year. 92		N/A

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	
93 Program service revenue:					
a Dormitories & Residen					15,282,564.
b Gross Tuition & Fees					146,339,724.
c Organized Activities					3,699,801.
d _____					
e _____					
f Medicare/Medicaid payments.....					
g Fees & contracts from government agencies...					
94 Membership dues and assessments...					
95 Interest on savings & temporary cash invmnts...			14	753,642.	
96 Dividends & interest from securities...	900000	-559.	14	9,465,497.	
97 Net rental income or (loss) from real estate:					
a debt-financed property.....					
b not debt-financed property.....	721110	563,565.	16	2,985,579.	
98 Net rental income or (loss) from pers prop....					
99 Other investment income.....					
100 Gain or (loss) from sales of assets other than inventory.....			18	17,392,018.	
101 Net income or (loss) from special events.....					
102 Gross profit or (loss) from sales of inventory....	451211	283,948.	3	3,029,750.	
103 Other revenue: a _____					
b Auxiliary, incl. Athl	541800	-607.			36,386,773.
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))....		846,347.		33,626,486.	201,708,862.
105 Total (add line 104, columns (B), (D), and (E)).....					236,181,695.

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).
▼	See Statement 17

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions.)

(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
Western Asset Global Bond Por 2711 Centerville Rd., Ste. 40 Wilmington, DE 19808 94-3403899	99.990 % % % %	Investment	1,636,979.	29,275,667.

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).

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.

Please Sign Here

Signature of officer: Maureen L. Carpenter, Controller Date: _____

Type or print name and title.

Paid Preparer's Use Only

Preparer's signature: Self-Prepared Date: _____

Check if self-employed:

Preparer's SSN or PTIN (See General Instruction W): _____

Firm's name (or yours if self-employed), address, and ZIP + 4: _____

EIN: _____

Phone no.: _____

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**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.**

OMB No. 1545-0047

2004

Name of the organization

Wake Forest University

Employer identification number

56-0532138

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
George E. Prosser P.O. Box 7506	Coach 40	949,502.	72,089.	15,743.
Jim B. Grobe P.O. Box 7268	Coach 40	783,410.	188,298.	16,135.
Ronald D. Wellman P.O. Box 7265	Dir. Athletics 40	400,000.	75,181.	10,734.
Ajay Patel P.O. Box 7659	Dean 40	304,750.	30,500.	13,017.
Steve H. Nickles P.O. Box 7206	Professor 40	211,865.	28,535.	85,574.
Total number of other employees paid over \$50,000	▶ 643			

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
TekSystems P.O. Box 198568 Atlanta, GA 30384	Software Consulting	679,150.
Sungard SCT P.O. Box 99023 Chicago, IL 60693	Software Consulting	461,605.
CDM Optics, Inc. 4000 Discovery Drive Boulder, CO 80303	Engineering Services	386,664.
Winston Personnel Group P.O. Box 15366 Winston-Salem, NC 27113	Temp. Empl. Svcs.	222,775.
IBM P.O. Box 643600 Pittsburgh, PA 15264	Project Management	169,775.
Total number of others receiving over \$50,000 for professional services	▶ 21	

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

Schedule A (Form 990 or 990-EZ) 2004

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. . . . ▶ \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)		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.) See Statement 18		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?	X	
c Furnishing of goods, services, or facilities?	X	
See Form 990, Part V		
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e Transfer of any part of its income or assets?		X
3a 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.) See Statement 19	X	
b Do you have a section 403(b) annuity plan for your employees?	X	
4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		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.)
- 11a** 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.)
- 11b** 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

- 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.**

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

Calendar year (or fiscal year beginning in) ▶	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	N/A				
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
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: a Enter 2% of amount in column (e), line 24 N/A ▶ **26a**

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ▶ **26b**

c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ **26c**

d Add: Amounts from column (e) for lines: **18** _____ **19** _____
22 _____ **26b** _____ ▶ **26d**

e Public support (line 26c minus line 26d total) ▶ **26e**

f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶ **26f** %

27 Organizations described on line 12: N/A

a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' **Do not file this list with your return.** Enter the sum of such amounts for each year:
(2003) _____ (2002) _____ (2001) _____ (2000) _____

b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:
(2003) _____ (2002) _____ (2001) _____ (2000) _____

c Add: Amounts from column (e) for lines: **15** _____ **16** _____
17 _____ **20** _____ **21** _____ ▶ **27c**

d Add: Line 27a total and line 27b total ▶ **27d**

e Public support (line 27c total minus line 27d total) ▶ **27e**

f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶ **27f**

g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶ **27g** %

h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶ **27h** %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return.** Do not include these grants in line 15. N/A

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

	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?	X	
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?	X	
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?	X	
If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.)		
<u>The University publishes its nondiscriminatory policy in the undergraduate bulletin which is distributed to all students annually and is also available on the University's website.</u>		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	X	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d Copies of all material used by the organization or on its behalf to solicit contributions?	X	
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?		X
b Admissions policies?		X
c Employment of faculty or administrative staff?		X
d Scholarships or other financial assistance?		X
e Educational policies?		X
f Use of facilities?		X
g Athletic programs?		X
h Other extracurricular activities?		X
If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a Does the organization receive any financial aid or assistance from a governmental agency?	X	
b Has the organization's right to such aid ever been revoked or suspended?		X
If you answered 'Yes' to either 34a or b, please explain using an attached statement. See Statement .20		
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	X	

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		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term 'expenditures' means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table —		
	If the amount on line 40 is —		
	The lobbying nontaxable amount is —		
	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	41
	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	
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	
Caution: 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) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 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:	Yes	No	Amount
	a Volunteers		
b Paid staff or management (Include compensation in expenses reported on lines c through h .)		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	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (add lines c through h .)			0.

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

Statement 1
Form 990, Part I, Line 20
Other Changes in Net Assets or Fund Balances

Unrealized Gains on Investments \$ 21,852,321.
 Total \$ 21,852,321.

Statement 2
Form 990, Part II, Line 22
Grants and Allocations

Cash Grants and Allocations

Donee's Name: 93 Grants/Allocations
 Amount Given: \$ 11,969,833.

Donee's Name: Scholarships Awarded
 Amount Given: 42,686,897.

Total Grants and Allocations \$ 54,656,730.

Statement 3
Form 990, Part II, Line 43
Other Expenses

	(A)	(B)	(C)	(D)
	<u>Total</u>	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>
Actuarial Loss on Annuity Obli	2,803,000.	2,803,000.		
Auxiliary Enterprises	2,001,812.	2,001,812.		
Consultants/Contract Services	8,872,004.	7,092,490.	1,735,606.	43,908.
Dues & Subscriptions	918,345.	787,892.	117,352.	13,101.
Insurance	1,286,543.	1,251,548.	27,282.	7,713.
Library	3,571,511.	3,571,511.		
Miscellaneous	15,211.	15,211.		
Technology Expense	8,481,716.	5,379,920.	3,095,360.	6,436.
Total	<u>\$27,950,142.</u>	<u>\$22,903,384.</u>	<u>\$ 4,975,600.</u>	<u>\$ 71,158.</u>

Statement 4
Form 990, Part III, Line a
Statement of Program Service Accomplishments

<u>Description</u>	<u>Grants and Allocations</u>	<u>Program Service Expenses</u>
Instruction of approximately 5,370 students on the Reynolda Campus. The Campus is comprised of the College of Arts & Sciences, the Graduate School, the Wayne Calloway School of Business and Accountancy, the Babcock Graduate School of Management, the School of Law, and the Divinity School.		72,773,727.

Client 2005990

Wake Forest University

56-0532138

5/17/06

02:33PM

Statement 4 (continued)
Form 990, Part III, Line a
Statement of Program Service Accomplishments

Description	Grants and Allocations	Program Service Expenses
Research is comprised of basic science and is performed in areas such as biology, chemistry, physics, mathematics, computer science, health & exercise science, etc.	11,314,733.	11,314,733.
Depreciation, interest, and maintenance		32,512,433.
Expenses for the Z. Smith Reynolds Library and the Professional Center Library, which together hold almost 1.5 million print volumes.		8,822,418.
Organized Activities		2,047,513.
Academic Support expenses to support educational departments		4,804,288.
Other program services, primarily Athletics	655,100.	37,618,411.
Student Services expenses for such areas as the registrars' offices, admissions offices, financial aid offices, student life programming, etc.		8,983,737.
Wake Forest University is dedicated to the pursuit of excellence in the liberal arts and in graduate and professional education. Its distinctiveness in its pursuit of its mission derives from its private, co-educational, and residential character, its size and location. It seeks to honor the ideals of liberal learning, which entail commitment to transmission of cultural heritages; teaching the modes of learning in the basic disciplines of human knowledge; developing critical appreciation of moral, aesthetic, and religious values; advancing the frontiers of knowledge through in-depth study and research; and applying and utilizing knowledge in the service of humanity.		
Scholarships awarded to eligible students based on financial need, academic merit, or a combination of the two. On average, 65.7% of undergraduate full-time tuition and fees is covered by financial aid awarded.	42,686,897.	42,686,897.
	<u>\$ 54656730.</u>	<u>\$ 221564157.</u>

Statement 5
Form 990, Part IV, Line 54
Investments - Securities

Corporate Stocks	Valuation Method	Amount
Common & Preferred Stocks	Market Value	\$ 185412636.
	Total	\$ 185412636.

Client 2005990

Wake Forest University

56-0532138

5/17/06

02:33PM

Statement 5 (continued)
Form 990, Part IV, Line 54
Investments - Securities

<u>Corporate Bonds</u>	<u>Valuation Method</u>	<u>Amount</u>
Corporate Bonds	Market Value	\$ 85,235,703.
	Total	\$ 85,235,703.
<u>Other Publicly Traded Securities</u>	<u>Valuation Method</u>	<u>Amount</u>
Commodities	Market Value	26,889,614.
Emerging Markets	Market Value	30,670,966.
Hedge Strategies	Market Value	78,988,241.
Short-term Investments	Market Value	13,474,997.
	Total	\$ 150,023,818.
US Government Securities	Market Value	0.
Total Investments - Securities		<u>\$ 420,672,157.</u>

Statement 6
Form 990, Part IV, Line 55b
Investments - Land, Buildings, and Equipment

<u>Category</u>	<u>Basis</u>	<u>Accum. Deprec.</u>	<u>Book Value</u>
Buildings	\$ 42,277,201.	\$ 19,641,096.	\$ 22,636,105.
Improvements	4,106,556.	0.	4,106,556.
Land	564,951.		564,951.
Total	<u>\$ 46,948,708.</u>	<u>\$ 19,641,096.</u>	<u>\$ 27,307,612.</u>

Statement 7
Form 990, Part IV, Line 56
Investments - Other

<u>Description of Investment</u>	<u>Valuation Method</u>	<u>Book Value</u>
Beneficial Interests in Perpetual Trusts	Market Value	\$ 4,605,728.
Private Equity	Market Value	25,209,013.
Other Investments	Market Value	28,443,770.
	Total	<u>\$ 58,258,511.</u>

Client 2005990

Wake Forest University

56-0532138

5/17/06

02:33PM

Statement 8
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Automobiles / Transportation Equipment	\$ 1,874,870.	\$ 0.	\$ 1,874,870.
Machinery and Equipment	134296200.	0.	134296200.
Buildings	228055540.	0.	228055540.
Improvements	93,307,702.	0.	93,307,702.
Land	5,014,034.		5,014,034.
Miscellaneous	13,630,777.	247711309.	-234080532.
Total	<u>\$ 476179123.</u>	<u>\$ 247711309.</u>	<u>\$ 228467814.</u>

Statement 9
Form 990, Part IV, Line 58
Other Assets

Bond Proceeds in escrow.....	\$ 554,578.
Rounding.....	1.
Total	<u>\$ 554,579.</u>

Statement 10
Form 990, Part IV, Line 65
Other Liabilities

Annuities Payable.....	\$ 21,678,299.
Other Liabilities and Deferrals.....	10,255,349.
Postretirement Benefits.....	7,752,431.
Total	<u>\$ 39,686,079.</u>

Statement 11
Form 990, Part IV-A, Line b(4)
Other Amounts

Rental and Bookstore Expenses.....	\$ 16,769,172.
Total	<u>\$ 16,769,172.</u>

Statement 12
Form 990, Part IV-A, Line d(2)
Other Amounts

Tuition Discount.....	\$ 42,686,897.
Total	<u>\$ 42,686,897.</u>

Wake Forest University

56-0532138

Statement 13
Form 990, Part IV-B, Line b(4)
Other Amounts

Rental and Bookstore Expenses..... \$ 16,769,172.
Total \$ 16,769,172.

Statement 14
Form 990, Part IV-B, Line d(2)
Other Amounts

Tuition Discount..... \$ 42,686,897.
Total \$ 42,686,897.

Statement 15
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
Thomas K. Hearn, Jr. P.O. Box 7226 Winston-Salem, NC 27109	President 40	\$ 350,000.	\$ 220,952.	\$ 400,130.
John P. Anderson P.O. Box 7249 Winston-Salem, NC 27109	CFO 40	280,500.	36,505.	15,245.
William C. Gordon P.O. Box 7688 Winston-Salem, NC 27109	Provost 40	265,200.	20,454.	12,605.
Lou Morrell P.O. Box 7354 Winston-Salem, NC 27109	Treasurer 40	217,790.	34,745.	7,032.
James Reid Morgan P.O. Box 7656 Winston-Salem, NC 27109	Secretary 40	211,800.	28,634.	8,450.
Arthur Pittman P.O. Box 7656 Winston-Salem, NC 27109	Asst. Secretary 40	57,000.	11,359.	0.
Diana M. Adams Bartlesville, OK	Trustee See Note	0.	0.	0.
Jerry H. Baker Atlanta, GA	Trustee See Note	0.	0.	0.

Note Regarding Hours devoted to the organization by trustees:

The average hours per week spent by the trustees ranged from approximately three to thirty (for the chair of the board) during 2004-2005, a year in which a presidential search was conducted.

Wake Forest University

56-0532138

Statement 15 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
W. Louis Bissette, Jr. Asheville, NC	Trustee See Note	\$ 0.	\$ 0.	\$ 0.
Donna A. Boswell Washington, DC	Trustee See Note	0.	0.	0.
Simpson O. Brown, Jr. Winston-Salem, NC	Trustee See Note	0.	0.	0.
Bobby R. Burchfield McLean, VA	Trustee See Note	0.	0.	0.
Jocelyn Burton Oakland, CA	Trustee See Note	0.	0.	0.
Jan W. Calloway Greenwich, CT	Trustee See Note	0.	0.	0.
J. Donald Cowan, Jr. Raleigh, NC	Trustee See Note	0.	0.	0.
Ronald E. Deal Hickory, NC	Trustee See Note	0.	0.	0.
James A. Dean Pickerington, OH	Trustee See Note	0.	0.	0.
Graham W. Denton, Jr. Charlotte, NC	Trustee See Note	0.	0.	0.
Lisbeth C. Evans Winston-Salem, NC	Trustee See Note	0.	0.	0.
Lelia B. Farr St. Louis, MO	Trustee See Note	0.	0.	0.

Note regarding hours devoted to the organization by trustees:
The average hours per week spent by trustees ranged from approximately three to thirty (for the chair of the board) during 2004-2005, a year in which a presidential search was conducted.

Wake Forest University

56-0532138

Statement 15 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
Martin L. Garcia Tampa, FL	Trustee See Note	\$ 0.	\$ 0.	\$ 0.
Marvin D. Gentry King, NC	Trustee See Note	0.	0.	0.
Murray C. Greason, Jr. Winston-Salem, NC	Trustee See Note	0.	0.	0.
William B. Greene, Jr. Gray, TN	Trustee See Note	0.	0.	0.
James R. Helvey, III Winston-Salem, NC	Trustee See Note	0.	0.	0.
Harvey R. Holding Ponte Vedra Beach, FL	Trustee See Note	0.	0.	0.
Lawrence D. Hopkins Winston-Salem, NC	Trustee See Note	0.	0.	0.
Alice Kirby Horton Hillsborough, NC	Trustee See Note	0.	0.	0.
Albert R. Hunt Washington, DC	Trustee See Note	0.	0.	0.
Jeannette Wallace Hyde Raleigh, NC	Trustee See Note	0.	0.	0.
James W. Johnston Winston-Salem, NC	Trustee See Note	0.	0.	0.
James W. Judson, Jr. Roswell, GA	Trustee See Note	0.	0.	0.

Note regarding hours devoted to the organization by trustees:
The average hours per week spent by the trustees ranged from approximately three to thirty (for the chair of the board) during 2004-2005, a year in which a presidential search was conducted.

Wake Forest University

56-0532138

Statement 15 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
Deborah D. Lambert Raleigh, NC	Trustee See Note	\$ 0.	\$ 0.	\$ 0.
Dee Hughes LeRoy Charleston, SC	Trustee See Note	0.	0.	0.
Douglas F. Manchester La Jolla, CA	Trustee See Note	0.	0.	0.
William L. Marks New Orleans, LA	Trustee See Note	0.	0.	0.
Russell W. Meyer, Jr. Wichita, KS	Trustee See Note	0.	0.	0.
Kenneth D. Miller Greensboro, NC	Trustee See Note	0.	0.	0.
Barbara B. Millhouse New York, NY	Trustee See Note	0.	0.	0.
L. Glenn Orr, Jr. Winston-Salem, NC	Trustee See Note	0.	0.	0.
Celeste Mason Pittman Rocky Mount, NC	Trustee See Note	0.	0.	0.
Andrew J. Schindler Winston-Salem, NC	Trustee See Note	0.	0.	0.
Adelaide A. Sink Thonotosassa, FL	Trustee See Note	0.	0.	0.
K. Wayne Smith Newton, NC	Trustee See Note	0.	0.	0.

Note regarding hours devoted to the organization by trustees:

The average hours per week spent by the trustees ranged from approximately three to thirty (for the chair of the board) during 2004-2005, a year in which a presidential search was conducted.

Wake Forest University

56-0532138

Statement 15 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
Janice Kulynych Story Atlanta, GA	Trustee See Note	\$ 0.	\$ 0.	\$ 0.
Lloyd P. Tate, Jr. Southern Pines, NC	Trustee See Note	0.	0.	0.
J. Lanny Wadkins, Jr. Dallas, TX	Trustee See Note	0.	0.	0.
James T. Williams, Jr. Greensboro, NC	Trustee See Note	0.	0.	0.
Charles Jeffrey Young Winston-Salem, NC	Trustee See Note	0.	0.	0.
Kyle Allen Young Greensboro, NC	Trustee See Note	0.	0.	0.
Total		<u>\$ 1,382,290.</u>	<u>\$ 352,649.</u>	<u>\$ 443,462.</u>

Statement 16
Form 990, Part VI, Line 80b
Related Organizations

Name of Organization	Exempt	Nonexempt
!dealliance	X	
!dealliance Foundation	X	
BRF Deck 1, LLC		X
BRF-Al, LLC		X
BRF-Ala, LLC		X
Dialysis Access Group of WFU, LLC		X
Elkin Dialysis Center of Wake Forest Uni	X	
High Point Kidney Ctr of Wake Forest Uni	X	
King Dialysis Ctr of Wake Forest Univers	X	
Lake Norman Dialysis Ctr of Wake Forest	X	
Lexinton Dialysis Ctr of Wake Forest Uni	X	
Miller St. Dialysis Ctr of Wake Forest U	X	
Mt. Airy Dialysis Ctr of Wake Forest Uni	X	
Northside Dialysis Ctr of Wake Forest Un	X	
Piedmont Dialysis Ctr of Wake Forest Uni	X	
Piedmont Triad Research Park	X	
PTRP Holdings, LLC		X
Reynolda House, Inc.	X	
Salem Kidney Ctr of Wake Forest Univer	X	
Seed Stage Association, LLC		X

Client 2005990

Wake Forest University

56-0532138

5/17/06

02:33PM

Statement 16 (continued)
Form 990, Part VI, Line 80b
Related Organizations

<u>Name of Organization</u>	<u>Exempt</u>	<u>Nonexempt</u>
Statesville Dialysis Ctr of Wake Forest	X	
The Medical Fdtn of WFUHS & NCBH	X	
Thomasville Dialysis Ctr of Wake Forest	X	
Triad Dialysis Ctr of Wake Forest Univer	X	
Wake Forest University Development Fdtn.	X	
Wake Forest University Foundation	X	
Wake Forest University Health Sciences	X	
West Iredell Dialysis Ctr of Wake Forest	X	
WinstonNet	X	

Statement 17
Form 990, Part VIII
Relationship of Activities to the Accomplishment of Exempt Purposes

<u>Line #</u>	<u>Explanation of Activities</u>
93a	Education of undergraduate and graduate students (including law, business, and divinity)
93b	Allow community access to University facilities and provide student knowledge for public services
93c	Provide affordable, convenient, and safe on-campus housing for students

Statement 18
Schedule A, Part III, Line 2
Transactions with Trustees, Directors, Etc.

Line 2b - The University entered into an interest rate swap agreement with Bank of America. An officer of this corporation served as a University trustee during the fiscal year.

Line 2c - The University provides housing to the President and automobiles to certain officers, which transactions are reported on Part V, Form 990, as required. The University employed the services of Womble Carlyle Sandridge & Rice, PLLC as outside legal counsel on various matters. A member in this firm served as a University trustee during the fiscal year.

Statement 19
Schedule A, Part III, Line 3
Qualifications of Recipients Receiving Grants or Loans

A list of recipients of scholarships and fellowships is on file at the institution, and is available upon request. Although there may be recipients who are related to persons having an interest in the institution, such recipients are selected on an equal, objectively determinable basis with other recipients. That is, all students receiving scholarships and fellowships are judged worthy by the institution's assessment on the basis of academic achievement, financial need, and other similar standards.

5/17/06

02:33PM

Statement 20
Schedule A, Part V, Line 34
Explanation

The University receives financial aid as part of its educational purpose, which is then awarded to eligible students.

Client 2005990

Wake Forest University

56-0532138

5/17/06

02:33PM

Form 990, Part IV, Line 57
Detail of Miscellaneous Land, Building, and Equip

Construction in Progress.....	\$	12,531,318.
Software.....		1,099,459.
	Total	<u>\$ 13,630,777.</u>

Form 990, Part IV, Line 57
Total Accumulated Depreciation on all Assets

Accumulated Depreciation.....	\$	247,711,309.
	Total	<u>\$ 247,711,309.</u>

Wake Forest University
Form 990, Part IV, Line 64a

Series 1997 tax-exempt bonds.....	\$	2,430,000.
Series 2004A tax-exempt bonds.....		36,605,000.
Series 2004B tax-exempt bonds.....		30,760,000.
	Total	<u>\$ 69,795,000.</u>

Wake Forest University
Form 990, Part IV, line 64b

Variable rate loan due 2014.....	\$	7,135,319.
Series 1997 taxable bonds.....		7,500,000.
Series 1994 taxable bonds.....		2,400,000.
	Total	<u>\$ 17,035,319.</u>