

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

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 2005 calendar year, or tax year beginning 07/01, 2005, and ending 06/30/2006

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. C Name of organization: WAKE FOREST UNIVERSITY. D Employer identification number: 56-0532138. E Telephone number: (336) 758-5233. F Accounting method: Accrual.

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

G Website: WWW.WFU.EDU

J Organization type (check only one) [X] 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 chooses to file a return, be sure to file a complete return. Some states require a complete return.

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? [ ] Yes [X] No. H(b) If "Yes," enter number of affiliates. H(c) Are all affiliates included? [ ] Yes [X] No. H(d) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [X] No.

I Group Exemption Number. M Check [ ] if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 643,413,648.

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

Table with 21 rows and 4 columns: Description, Sub-column, Amount, Total. Rows include Contributions, Program service revenue, Membership dues, Interest on savings, Dividends, Gross rents, Other investment income, Gross amount from sales of assets, Special events, Gross sales of inventory, Other revenue, Total revenue, Program services, Management and general, Fundraising, Payments to affiliates, Total expenses, Excess or (deficit) for the year, Net assets or fund balances at beginning/end of year.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2005)

**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. (See the instructions.)

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
<b>22</b>	Grants and allocations (attach schedule) (cash \$ <u>45,094,647</u> . noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	45,094,647.	45,094,647.	STMT 13	
<b>23</b>	Specific assistance to individuals (attach schedule)				
<b>24</b>	Benefits paid to or for members (attach schedule)				STMT 14
<b>25</b>	Compensation of officers, directors, etc.	3,088,805.		3,088,805.	
<b>26</b>	Other salaries and wages	97,830,505.	82,078,177.	12,021,776.	3,730,552.
<b>27</b>	Pension plan contributions	7,481,199.	6,318,506.	875,509.	287,184.
<b>28</b>	Other employee benefits	12,826,986.	11,168,006.	1,151,381.	507,599.
<b>29</b>	Payroll taxes	6,890,414.	5,659,128.	974,072.	257,214.
<b>30</b>	Professional fundraising fees				
<b>31</b>	Accounting fees	139,649.		139,649.	
<b>32</b>	Legal fees	81,589.		81,589.	
<b>33</b>	Supplies	3,925,649.	3,357,884.	138,054.	429,711.
<b>34</b>	Telephone	1,182,563.	919,204.	206,043.	57,316.
<b>35</b>	Postage and shipping	1,013,467.	749,190.	125,241.	139,036.
<b>36</b>	Occupancy	10,020,459.	10,020,459.		
<b>37</b>	Equipment rental and maintenance	2,336,152.	798,991.	1,531,092.	6,069.
<b>38</b>	Printing and publications	2,035,166.	1,360,132.	146,351.	528,683.
<b>39</b>	Travel	7,096,145.	6,178,980.	606,610.	310,555.
<b>40</b>	Conferences, conventions, and meetings	1,178,590.	931,392.	233,589.	13,609.
<b>41</b>	Interest	3,005,478.	3,005,478.		
<b>42</b>	Depreciation, depletion, etc. (attach schedule)	19,599,959.	19,599,959.		
<b>43</b>	Other expenses not covered above (itemize):				
a	STMT 15	38,601,804.	31,819,949.	6,665,234.	116,621.
b					
c					
d					
e					
f					
g					
<b>44</b>	<b>Total functional expenses.</b> Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	263,429,226.	229,060,082.	27,984,995.	6,384,149.

**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** (See the instructions.)

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.

What is the organization's primary exempt purpose? <b>EDUCATION AND RESEARCH</b> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	<b>Program Service Expenses</b> (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
<b>a</b> INSTRUCTION OF APPROXIMATELY 5,797 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.  (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/>	72,734,912.
<b>b</b> RESEARCH AND OTHER ACADEMIC RELATED EXPENDITURES PERTAIN TO BASIC SCIENCE, IN AREAS SUCH AS BIOLOGY, CHEMISTRY, PHYSICS, MATHEMATICS, COMPUTER SCIENCE, HEALTH & EXERCISE SCIENCE, AND OTHER EDUCATIONAL ENDEAVORS OF THE UNIVERSITY.  (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/>	13,633,841.
<b>c</b> DEPRECIATION, INTEREST, AND MAINTENANCE    (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/>	33,137,520.
<b>d</b> SEE STATEMENTS 2 & 3    (Grants and allocations \$ 45,094,647. ) If this amount includes foreign grants, check here <input type="checkbox"/>	109,553,809.
<b>e</b> Other program services (attach schedule) (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services) . . . . .	229,060,082.

**Part IV Balance Sheets** (See the instructions.)

				(A)		(B)
				Beginning of year		End of year
<b>Note:</b> Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.						
<b>Assets</b>	<b>45</b> Cash - non-interest-bearing . . . . .				<b>45</b>	
	<b>46</b> Savings and temporary cash investments . . . . .			35,155,983.	<b>46</b>	26,209,547.
	<b>47 a</b> Accounts receivable . . . . .	<b>47a</b>	5,248,114.			
	<b>b</b> Less: allowance for doubtful accounts . . . . .	<b>47b</b>	757,766.	3,693,347.	<b>47c</b>	4,490,348.
	<b>48 a</b> Pledges receivable . . . . .	<b>48a</b>	48,915,817.			
	<b>b</b> Less: allowance for doubtful accounts . . . . .	<b>48b</b>	10,970,000.	40,963,565.	<b>48c</b>	37,945,817.
	<b>49</b> Grants receivable . . . . .			1,100,696.	<b>49</b>	1,577,359.
	<b>50</b> Receivables from officers, directors, trustees, and key employees (attach schedule) . . . . .		STMT. 16 .		<b>50</b>	207,604.
	<b>51 a</b> Other notes and loans receivable (attach schedule) . . . . .	<b>51a</b>	19,900,863.			
	<b>b</b> Less: allowance for doubtful accounts . . . . .	<b>51b</b>	189,246.	19,519,610.	<b>51c</b>	19,711,617.
	<b>52</b> Inventories for sale or use . . . . .			1,875,968.	<b>52</b>	2,298,186.
	<b>53</b> Prepaid expenses and deferred charges . . . . .			1,800,753.	<b>53</b>	1,390,863.
	<b>54</b> Investments - securities (attach schedule) STMT. 18 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV			420,672,157.	<b>54</b>	484,264,625.
	<b>55 a</b> Investments - land, buildings, and equipment: basis . . . . .	<b>55a</b>	47,603,550.			
	<b>b</b> Less: accumulated depreciation (attach schedule) . . . . .	<b>55b</b>	20,893,623.	27,307,612.	<b>55c</b>	26,709,927.
	<b>56</b> Investments - other (attach schedule) . . . . .		STMT. 19 .	58,258,511.	<b>56</b>	80,582,382.
	<b>57 a</b> Land, buildings, and equipment: basis . . . . .	<b>57a</b>	494,631,520.			
	<b>b</b> Less: accumulated depreciation (attach schedule) . . . . .	<b>57b</b>	266,235,616.	228,467,814.	<b>57c</b>	228,395,904.
	<b>58</b> Other assets (describe <input type="checkbox"/> STMT 20 )			554,579.	<b>58</b>	1,696,730.
<b>59 Total assets</b> (must equal line 74). Add lines 45 through 58. . . . .			839,370,595.	<b>59</b>	915,480,909.	
<b>Liabilities</b>	<b>60</b> Accounts payable and accrued expenses . . . . .			14,033,723.	<b>60</b>	11,277,792.
	<b>61</b> Grants payable . . . . .			10,831,037.	<b>61</b>	10,656,411.
	<b>62</b> Deferred revenue . . . . .			11,530,242.	<b>62</b>	10,995,645.
	<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) . . . . .		STMT. 21 .	69,795,000.	<b>64a</b>	67,070,000.
	<b>b</b> Mortgages and other notes payable (attach schedule) . . . . .		STMT. 22 .	17,035,319.	<b>64b</b>	15,367,515.
	<b>65</b> Other liabilities (describe <input type="checkbox"/> STMT 23 )			39,686,079.	<b>65</b>	57,210,966.
<b>66 Total liabilities.</b> Add lines 60 through 65 . . . . .			162,911,400.	<b>66</b>	172,578,329.	
<b>Net Assets or Fund Balances</b>	<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 . . . . .			362,804,422.	<b>67</b>	389,145,869.
	<b>68</b> Temporarily restricted . . . . .			158,236,690.	<b>68</b>	187,575,076.
	<b>69</b> Permanently restricted . . . . .			155,418,083.	<b>69</b>	166,181,635.
	<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) <b>must</b> equal line 19; column (B) <b>must</b> equal line 21) . . . . .			676,459,195.	<b>73</b>	742,902,580.
	<b>74 Total liabilities and net assets/fund balances.</b> Add lines 66 and 73. . . . .			839,370,595.	<b>74</b>	915,480,909.





Part VI Other Information (continued)

82 a 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? 82a X
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.) 82b
83 a Did the organization comply with the public inspection requirements for returns and exemption applications? 83a X
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? 83b X
84 a Did the organization solicit any contributions or gifts that were not tax deductible? 84a X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 84b N/A
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? 85a N/A
b Did the organization make only in-house lobbying expenditures of \$2,000 or less? 85b N/A
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.
c Dues, assessments, and similar amounts from members 85c N/A
d Section 162(e) lobbying and political expenditures 85d N/A
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A
f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? 85g N/A
h 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? 85h N/A
86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12 86a N/A
b Gross receipts, included on line 12, for public use of club facilities 86b N/A
87 501(c)(12) orgs. Enter: a Gross income from members or shareholders 87a N/A
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b 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 88 X
89 a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 NONE ; section 4912 NONE ; section 4955 NONE
b 501(c)(3) and 501(c)(4) orgs. 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 89b X
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 NONE
d Enter: Amount of tax on line 89c, above, reimbursed by the organization N/A
90 a List the states with which a copy of this return is filed
b Number of employees employed in the pay period that includes March 12, 2005 (See instructions.) 90b
91 a The books are in care of MAUREEN L. CARPENTER Telephone no. 336-758-4534
Located at P.O. BOX 7201 WINSTON-SALEM, NC ZIP + 4 27109
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? 91b X
If "Yes," enter the name of the foreign country UK, FRANCE, AUSTRIA, SPAIN, ITALY
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.
c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c X
If "Yes," enter the name of the foreign country
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here
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 the instructions.)

	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:					
<b>a</b> STMT 39		NONE		NONE	180,203,580.
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>f</b> Medicare/Medicaid payments . . . . .					
<b>g</b> Fees and contracts from government agencies . . . . .					
<b>94</b> Membership dues and assessments . . . . .					
<b>95</b> Interest on savings and temporary cash investments . . . . .			14	2,866,229.	
<b>96</b> Dividends and interest from securities . . . . .			14	10,986,640.	
<b>97</b> Net rental income or (loss) from real estate:					
<b>a</b> debt-financed property . . . . .					
<b>b</b> not debt-financed property . . . . .			16	3,383,135.	
<b>98</b> Net rental income or (loss) from personal property . . . . .					
<b>99</b> Other investment income . . . . .					
<b>100</b> Gain or (loss) from sales of assets other than inventory . . . . .			18	41,111,931.	
<b>101</b> Net income or (loss) from special events . . . . .					
<b>102</b> Gross profit or (loss) from sales of inventory . . . . .			03	2,340,788.	
<b>103</b> Other revenue: <b>a</b>					
<b>b</b> AUXILIARY, INC ATH	541800	4,415,736.			37,497,404.
<b>c</b> OTHER SOURCES					2,728,398.
<b>d</b>					
<b>e</b>					
<b>104</b> Subtotal (add columns (B), (D), and (E)) . . . . .		4,415,736.		60,688,723.	220,429,382.
<b>105</b> Total (add line 104, columns (B), (D), and (E)) . . . . .					285,533,841.

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 the 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).
▼	STMT 40

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities**(See the 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
STMT 41	%		1,163,567.	26,366,087.
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts**(See the 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 \_\_\_\_\_ Date \_\_\_\_\_

Type or print name and title \_\_\_\_\_

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**Paid Preparer's Use Only**

Preparer's signature  \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed

Firm's name (or yours if self-employed), address, and ZIP + 4  KPMG LLP  
301 N. ELM STREET, SUITE 700  
GREENSBORO, NC 27401

Preparer's SSN or PTIN (See Gen. Inst. W) P00008888

EIN  13-5565207

Phone no.  336-275-3394

**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 4947(a)(1) Nonexempt Charitable Trust

OMB No. 1545-0047

**2005**

Department of the Treasury  
Internal Revenue Service

**Supplementary Information - (See separate instructions.)**  
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

Employer identification number

WAKE FOREST UNIVERSITY

56-0532138

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 1 of the 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 & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 42				

Total number of other employees paid over \$50,000 . . ▶ 657

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 2 of the 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
SEE STATEMENT 43		

Total number of others receiving over \$50,000 for professional services . . . . . ▶ 12

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 44		

Total number of other contractors receiving over \$50,000 for other services . . . . . ▶ 71

<b>Part III Statements About Activities</b> (See page 2 of the instructions.)		Yes	No
<b>1</b>	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 <b>▶</b> \$ _____ (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.		
<b>2</b>	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.)		
<b>a</b>	Sale, exchange, or leasing of property? . . . . .		X
<b>b</b>	Lending of money or other extension of credit? . . . . . <b>STMT 45</b>	X	
<b>c</b>	Furnishing of goods, services, or facilities? . . . . . <b>STMT 46</b>	X	
<b>d</b>	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . . <b>SEE 990, PART V</b>	X	
<b>e</b>	Transfer of any part of its income or assets? . . . . . <b>STMT 47</b>	X	
<b>3a</b>	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.) . . . . . <b>STMT 48</b>	X	
<b>b</b>	Do you have a section 403(b) annuity plan for your employees? . . . . .	X	
<b>c</b>	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)? . . . . .		X
<b>4a</b>	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>b</b>	Do you provide credit counseling, debt management, credit repair, or debt negotiation services? . . . . .		X

**Part IV Reason for Non-Private Foundation Status** (See pages 3 through 6 of the 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). Check the box that describes the type of supporting organization:  Type 1  Type 2  Type 3

Provide the following information about the supported organizations. (See page 6 of the 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 page 6 of the 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. NOT APPLICABLE

Table with 6 columns: Calendar year (or fiscal year beginning in), (a) 2004, (b) 2003, (c) 2002, (d) 2001, (e) Total. Rows 15-25 include categories like Gifts, grants, and contributions received; Membership fees received; Gross receipts from admissions, merchandise sold or services performed; Gross income from interest, dividends; Net income from unrelated business activities; Tax revenues levied; Value of services or facilities furnished; Other income; Total of lines 15 through 22; Line 23 minus line 17; Enter 1% of line 23.

Table for lines 26-27f. Includes sections for Organizations described on lines 10 or 11, and Organizations described on line 12. Sub-rows a-f for each section. Includes calculations for public support and public support percentage.

27 Organizations described on line 12: 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: NOT APPLICABLE

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:

Table for lines 27c-27h. Includes calculations for public support and public support percentage for organizations described on line 12. Sub-rows c-h for each section.

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, 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.

**Part V Private School Questionnaire** (See page 7 of the instructions.)  
**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

	Yes	No
<b>29</b> 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? . . . . .	<input checked="" type="checkbox"/>	
<b>30</b> 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? . . . . .	<input checked="" type="checkbox"/>	
<b>31</b> 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.) <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>	<input checked="" type="checkbox"/>	
<b>32</b> Does the organization maintain the following:		
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff? . . . . .	<input checked="" type="checkbox"/>	
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? . . . . .	<input checked="" type="checkbox"/>	
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? . . . . .	<input checked="" type="checkbox"/>	
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions? . . . . .	<input checked="" type="checkbox"/>	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____		
<b>33</b> Does the organization discriminate by race in any way with respect to:		
<b>a</b> Students' rights or privileges? . . . . .		<input checked="" type="checkbox"/>
<b>b</b> Admissions policies? . . . . .		<input checked="" type="checkbox"/>
<b>c</b> Employment of faculty or administrative staff? . . . . .		<input checked="" type="checkbox"/>
<b>d</b> Scholarships or other financial assistance? . . . . .		<input checked="" type="checkbox"/>
<b>e</b> Educational policies? . . . . .		<input checked="" type="checkbox"/>
<b>f</b> Use of facilities? . . . . .		<input checked="" type="checkbox"/>
<b>g</b> Athletic programs? . . . . .		<input checked="" type="checkbox"/>
<b>h</b> Other extracurricular activities? . . . . .		<input checked="" type="checkbox"/>
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____		
<b>34 a</b> Does the organization receive any financial aid or assistance from a governmental agency? . . . . . STMT 49	<input checked="" type="checkbox"/>	
<b>b</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.		<input checked="" type="checkbox"/>
<b>35</b> 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 . . . . .	<input checked="" type="checkbox"/>	

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)  
 (To be completed **ONLY** by an eligible organization that filed Form 5768) **NOT APPLICABLE**

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

<b>Limits on Lobbying Expenditures</b>		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred.)			
<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>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>	

**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 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(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 nontaxable 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** **NOT APPLICABLE**

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the 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
<b>a</b> Volunteers . . . . .			
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines <b>c</b> through <b>h</b> .) . . . . .			
<b>c</b> Media advertisements . . . . .			
<b>d</b> Mailings to members, legislators, or the public . . . . .			
<b>e</b> Publications, or published or broadcast statements . . . . .			
<b>f</b> Grants to other organizations for lobbying purposes . . . . .			
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .			
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .			
<b>i</b> Total lobbying expenditures (Add lines <b>c</b> through <b>h</b> .) . . . . .			

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

**2005**

Name of organization

WAKE FOREST UNIVERSITY

Employer identification number

56-0532138

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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 boxes 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 under Regulations sections 1.509(a)-3/1.170A-9(e) 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 2 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).

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2005)

Name of organization **WAKE FOREST UNIVERSITY**

Employer identification number

56-0532138

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		920,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2		1,472,783.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3		1,505,382.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4		1,804,040.	Person <input checked="" 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.)

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====

SCHEDULE A, PART III, LINE 3, QUALIFICATIONS OF RECIPIENTS RECEIVING GRANT

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.

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====

FORM 990, PART III, LINE A, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

EXPENSES FOR THE Z. SMITH REYNOLDS LIBRARY AND THE PROFESSIONAL CENTER LIBRARY, WHICH TOGETHER HOLD ALMOST 1.5 MILLION PRINT VOLUMES.  
INCLUDES FOREIGN GRANTS: NO  
GRANTS AND ALLOCATIONS: \$0  
PROGRAM SERVICE EXPENSES: \$10,443,112

ORGANIZED ACTIVITIES, INCLUDING THE WFDD CAMPUS RADIO STATION.  
INCLUDES FOREIGN GRANTS: NO  
GRANTS AND ALLOCATIONS: \$0  
PROGRAM SERVICE EXPENSES: \$2,153,785

ACADEMIC SUPPORT EXPENSES TO SUPPORT EDUCATIONAL DEPARTMENTS.  
INCLUDES FOREIGN GRANTS: NO  
GRANTS AND ALLOCATIONS: \$0  
PROGRAM SERVICE EXPENSES: \$8,217,822

OTHER PROGRAM SERVICES, PRIMARILY ATHLETICS.  
INCLUDES FOREIGN GRANTS: NO  
GRANTS AND ALLOCATIONS: \$650,400  
PROGRAM SERVICE EXPENSES: \$35,311,106

STUDENT SERVICES EXPENSES FOR SUCH AREAS AS THE REGISTRARS' OFFICES, ADMISSIONS OFFICES, FINANCIAL AID OFFICES, STUDENT LIFE PROGRAMMING, ETC.  
INCLUDES FOREIGN GRANTS: NO  
GRANTS AND ALLOCATIONS: \$0  
PROGRAM SERVICE EXPENSES: \$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

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====

TRANSMISSION OF CULTURAL HERITAGES; TEACHING 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.

INCLUDES FOREIGN GRANTS: NO  
GRANTS AND ALLOCATIONS: \$0  
PROGRAM SERVICE EXPENSES: \$0

SCHOLARSHIPS ARE AWARDED TO ELIGIBLE STUDENTS BASED ON FINANCIAL NEED, ACADEMIC MERIT, OR A COMBINATION OF THE TWO. OVER 50% OF THE UNDERGRADUATE AND GRADUATE STUDENT POPULATION RECEIVED FINANCIAL AID AWARDS. APPROXIMATELY 3,000 STUDENTS RECEIVED SCHOLARSHIPS DURING THE YEAR.

INCLUDES FOREIGN GRANTS: NO  
GRANTS AND ALLOCATIONS: \$44,444,247  
PROGRAM SERVICE EXPENSES: \$44,444,247

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====

FORM 990, PART IV, LINE 50, RECEIVABLES DUE FROM OFFICERS, ETC.

REPAYMENT TERMS:

DUE AND PAYABLE AS OF 6/30/2015, OR THE EARLIER OF (I) THE EXECUTIVE'S TERMINATION OR EMPLOYMENT BY THE UNIVERSITY FOR "CAUSE," OR (II) THE EXECUTIVE'S VOLUNTARY RESIGNATION WITHOUT UNIVERSITY CONSENT PRIOR TO JUNE 30, 2010. IF THE EXECUTIVE REMAINS IN SERVICE THROUGH JUNE 30, 2015, THE LOAN WILL BE FORGIVEN IN THE AMOUNT OF ONE-HALF THE OUTSTANDING BALANCE AS OF THE EARLIER OF THE FIRST ANNIVERSARY OF THE DATE OF THE EXECUTIVE'S TERMINATION OF EMPLOYMENT OR JUNE 30, 2016, AND THE REMAINDER OF THE OUTSTANDING BALANCE WILL BE FORGIVEN AS OF THE EARLIER OF THE SECOND ANNIVERSARY OF THE DATE OF THE EXECUTIVE'S TERMINATION OF EMPLOYMENT OR JUNE 30, 2017.

INTEREST RATE:

APPLICABLE FEDERAL RATE ON DATE OF LOAN (CURRENTLY 4.48%) PAID BY BORROWER ANNUALLY. THE RATE AT 06/30/2006 WAS 4.45%.

SECURITY:

COLLATERAL ASSIGNMENT OF SPLIT DOLLAR LIFE INSURANCE POLICY ACQUIRED WITH PROCEEDS OF LOAN. SECURED TO EXTENT OF CUMULATIVE AMOUNT OF CREDIT EXTENDED.

PURPOSE:

TO FACILITATE ACQUISITION OF LIFE INSURANCE POLICY BY EXECUTIVE.

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====

FORM 990, PART IV, LINE 51, LOANS SECURED BY CAMPUS PROPERTY

BORROWER'S NAME	R. COATES
ORIGINAL AMOUNT OF LOAN	\$184,300
BALANCE DUE AT 6/30/2006	\$149,615
DATE OF MATURITY	09/30/2019
INTEREST RATE	7.59%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 20 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

BORROWER'S NAME	C. KENNEDY
ORIGINAL AMOUNT OF LOAN	\$174,948
BALANCE DUE AT 6/30/2006	\$164,634
DATE OF MATURITY	01/01/2026
INTEREST RATE	7.82%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 30 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

BORROWER'S NAME	W. SILVER
ORIGINAL AMOUNT OF LOAN	\$112,500
BALANCE DUE AT 6/30/2006	\$ 57,435
DATE OF MATURITY	03/15/2012
INTEREST RATE	7.59%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 15 YEAR FIXED RATE MORTGAGE (ORIGINAL MORTGAGE WAS REFINANCED ON 04/15/1997)
SECURITY	SECURED BY RESIDENCE

BORROWER'S NAME	B. EVERLY
ORIGINAL AMOUNT OF LOAN	\$147,250
BALANCE DUE AT 6/30/2006	\$136,291
DATE OF MATURITY	10/08/2031
INTEREST RATE	5.06%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 30 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

BORROWER'S NAME	R. WILLIS
ORIGINAL AMOUNT OF LOAN	\$147,250
BALANCE DUE AT 6/30/2006	\$135,616

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====

DATE OF MATURITY	12/13/2031
INTEREST RATE	4.60%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 30 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

BORROWER'S NAME	A. & G. ELLIS
ORIGINAL AMOUNT OF LOAN	\$225,000
BALANCE DUE AT 6/30/2006	\$208,018
DATE OF MATURITY	04/21/2032
INTEREST RATE	4.37%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 30 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

BORROWER'S NAME	L. WALDRON
ORIGINAL AMOUNT OF LOAN	\$213,750
BALANCE DUE AT 6/30/2006	\$200,948
DATE OF MATURITY	04/12/2032
INTEREST RATE	4.37%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 30 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

BORROWER'S NAME	S. FAUST & J. LLEWELLYN
ORIGINAL AMOUNT OF LOAN	\$177,250
BALANCE DUE AT 6/30/2006	\$165,588
DATE OF MATURITY	10/10/2032
INTEREST RATE	4.37%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 30 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

BORROWER'S NAME	K. & P. ZICK
ORIGINAL AMOUNT OF LOAN	\$146,300
BALANCE DUE AT 6/30/2006	\$138,580
DATE OF MATURITY	10/27/2033
INTEREST RATE	3.68%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 30 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====

BORROWER'S NAME	S. GILES
ORIGINAL AMOUNT OF LOAN	\$167,200
BALANCE DUE AT 6/30/2006	\$166,861
DATE OF MATURITY	05/04/2036
INTEREST RATE	5.92%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 30 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

BORROWER'S NAME	P. MORTON & R. TEDFORD
ORIGINAL AMOUNT OF LOAN	\$156,750
BALANCE DUE AT 6/30/2006	\$151,357
DATE OF MATURITY	02/20/2034
INTEREST RATE	5.41%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 30 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

BORROWER'S NAME	M. & M. ALLMAN
ORIGINAL AMOUNT OF LOAN	\$223,250
BALANCE DUE AT 6/30/2006	\$207,494
DATE OF MATURITY	07/20/2032
INTEREST RATE	4.37%
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE MONTHLY 30 YEAR FIXED RATE MORTGAGE
SECURITY	SECURED BY RESIDENCE

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====

FORM 990, PART IV, LINE 51, CHARLES KEITH STAMEY

BORROWER'S NAME	C. STAMEY
ORIGINAL AMOUNT OF LOAN	\$627,675
BALANCE DUE AT 6/30/2006	\$313,837
DATE OF MATURITY	03/30/2011
INTEREST RATE	90% OF PRIME RATE
REPAYMENT TERMS	PRINCIPAL AND INTEREST DUE QUARTERLY

FORM 990 - GENERAL EXPLANATION ATTACHMENT  
=====

FORM 990, PART II, LINE 42 - DEPRECIATION, DEPLETION, ETC.

DEPRECIATION IS CALCULATED USING THE STRAIGHT-LINE METHOD OVER THE  
ESTIMATED USEFUL LIFE OF THE ASSET FOR A RANGE OF 3 TO 60 YEARS.

FORM 990, PART I - GROSS SALES LESS RETURNS AND ALLOWANCES  
=====

DESCRIPTION -----	AMOUNT -----
GROSS SALES OF INVENTORY, LESS RETURNS & ALLOWANCE	6,909,097. -----
TOTAL	6,909,097. =====

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES  
=====

DESCRIPTION -----	AMOUNT -----
UNREALIZED GAINS ON INVESTMENTS	20,089,835.
	-----
TOTAL	20,089,835.
	=====

FORM 990, PART I - OTHER DECREASES IN FUND BALANCES  
=====

DESCRIPTION -----	AMOUNT -----
CHANGE IN ACCOUNTING PRINCIPLE	8,666,473.
	-----
TOTAL	8,666,473.
	=====

FORM 990, PART II - GRANTS AND ALLOCATIONS PAID DURING THE YEAR

=====

RECIPIENT NAME AND ADDRESS -----	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT -----	PURPOSE OF GRANT OR CONTRIBUTION -----	AMOUNT -----
GRANTS PAID =====			
REYNOLDA HOUSE 2250 REYNOLDA ROAD WINSTON SALEM, NC 27106	AFFILIATE	MUSEUM	650,400.
SCHOLARSHIPS AWARDED PO BOX 7201 WINSTON-SALEM, NC 27109	APPROXIMATELY 3,000 STUDENTS RECEIVED SCHOLARSHIPS	EDUCATION	44,444,247.
		TOTAL CONTRIBUTIONS PAID	----- 45,094,647. =====

FORM 990, PART II, LINE 25 - OFFICER COMPENSATION SCHEDULE

=====

OFFICER NAME AND TYPE OF COMPENSATION -----	MANAGEMENT AND GENERAL -----
NATHAN O. HATCH	
COMPENSATION:	470,400.
PENSION PLAN CONTRIBUTIONS:	238,093.
EXPENSE ACCOUNT:	41,136.
JOHN P. ANDERSON	
COMPENSATION:	320,318.
PENSION PLAN CONTRIBUTIONS:	36,074.
EXPENSE ACCOUNT:	15,374.
WILLIAM C. GORDON	
COMPENSATION:	318,240.
PENSION PLAN CONTRIBUTIONS:	33,809.
EXPENSE ACCOUNT:	12,563.
LOUIS R. MORRELL	
COMPENSATION:	234,365.
PENSION PLAN CONTRIBUTIONS:	34,091.
EXPENSE ACCOUNT:	6,909.
JAMES REID MORGAN	
COMPENSATION:	199,807.
PENSION PLAN CONTRIBUTIONS:	30,206.
EXPENSE ACCOUNT:	8,450.
ARTHUR PITTMAN	
COMPENSATION:	58,995.
PENSION PLAN CONTRIBUTIONS:	11,718.
THOMAS K. HEARN, JR. (FMR. OFF.)	
COMPENSATION:	368,290.
PENSION PLAN CONTRIBUTIONS:	202,892.
EXPENSE ACCOUNT:	387,715.
NANCY MOORE (FMR. OFF.)	
COMPENSATION:	51,000.
PENSION PLAN CONTRIBUTIONS:	8,290.
EXPENSE ACCOUNT:	70.
TOTALS	----- 3,088,805. =====

FORM 990, PART II - OTHER EXPENSES  
 =====

DESCRIPTION -----	TOTAL -----	PROGRAM SERVICES -----	MANAGEMENT AND GENERAL -----	FUNDRAISING -----
ACTUARIAL LOSS ON ANNUITY OBLI	306,194.	306,194.		
AUXILIARY ENTERPRISES	2,613,260.	2,613,260.		
CONSULTANTS/CONTRACT SERVICES	4,363,565.	2,508,482.	1,790,610.	64,473.
DUES AND SUBSCRIPTIONS	1,056,170.	771,013.	254,141.	31,016.
INSURANCE	1,613,556.	1,363,918.	240,411.	9,227.
LIBRARY	4,294,555.	4,294,555.		
MISCELLANEOUS	1,326,916.	1,326,916.		
RESEARCH FUNDED BY REST GRANTS	8,913,403.	8,913,403.		
ENDOWMENT FUNDED ACADEMIC EXP	4,720,438.	4,720,438.		
TECHNOLOGY EXPENSE	9,393,747.	5,001,770.	4,380,072.	11,905.
TOTALS	38,601,804.	31,819,949.	6,665,234.	116,621.
	=====	=====	=====	=====

FORM 990, PART IV - RECEIVABLES DUE FROM OFFICERS, ETC.

=====

BORROWER: NATHAN O. HATCH		
ORIGINAL AMOUNT:	100,000.	
INTEREST RATE:	4.450000	
DATE OF NOTE:	07/01/2005	
MATURITY DATE:	06/30/2015	
REPAYMENT TERMS:	SEE STATEMENT 4	
SECURITY PROVIDED:	SEE STATEMENT 4	
PURPOSE OF LOAN:	SEE STATEMENT 4	
DESCRIPTION AND FMV	CASH - \$200,000	
OF CONSIDERATION:		
ENDING BALANCE DUE .....		207,604.
		-----
TOTAL ENDING RECEIVABLES DUE FROM OFFICERS, ETC.		207,604.
		=====

FORM 990, PART IV - OTHER NOTES AND LOANS RECEIVABLE  
=====

BORROWER:	STUDENT LOANS RECEIVABLE	
ENDING BALANCE DUE .....		17,515,342.

-----

BORROWER:	LOANS SECURED BY CAMPUS PROPERTY	
ORIGINAL AMOUNT:	2,075,748.	
REPAYMENT TERMS:	SEE STATEMENTS 5-7	
ENDING BALANCE DUE .....		1,882,437.

-----

BORROWER:	C. STAMEY	
ORIGINAL AMOUNT:	627,675.	
MATURITY DATE:	03/30/2011	
REPAYMENT TERMS:	SEE STATEMENT 8	
ENDING BALANCE DUE .....		313,837.

-----

TOTAL ENDING OTHER NOTES AND LOANS RECEIVABLES		19,711,616.
--	--	-------------

=====

FORM 990, PART IV - INVESTMENTS - SECURITIES

=====

DESCRIPTION -----	ENDING BOOK VALUE -----	COST OR FMV -----
CORPORATE STOCKS		
PUBLIC EQUITY	226,212,580.	FMV
CORPORATE BONDS		
FIXED INCOME SECURITIES	51,456,330.	FMV
OTHER INVESTMENT SECURITIES		
HEDGE FUNDS	82,787,705.	FMV
SHORT-TERM INVESTMENTS	59,204,894.	FMV
COMMODITIES	27,976,398.	FMV
EMERGING MARKETS	36,626,718.	FMV
	-----	
TOTALS	484,264,625.	
	=====	

FORM 990, PART IV - INVESTMENTS - OTHER  
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
BENEFICIAL INTERESTS IN PERPETUAL TRUSTS	4,870,957.
PRIVATE EQUITY	30,736,697.
OTHER INVESTMENTS	44,974,728.
	-----
TOTALS	80,582,382.
	=====

FORM 990, PART IV - OTHER ASSETS

=====

DESCRIPTION -----	ENDING BOOK VALUE -----
OTHER ASSET - BOND ESCROW AND INTERAFFILIATE	288,323.
UNREALIZED GAIN ON INTEREST RATE SWAP	1,408,407.
TOTALS	----- 1,696,730. =====

FORM 990, PART IV - TAX-EXEMPT BOND LIABILITIES

=====

DESCRIPTION	ENDING BOOK VALUE
-----	-----
SERIES 2004A TAX-EXEMPT B/P	36,605,000.
SERIES 2004B TAX-EXEMPT B/P	30,465,000.
TOTALS	----- 67,070,000. =====

FORM 990, PART IV - MORTGAGES AND OTHER NOTES PAYABLE

=====

LENDER: VARIABLE RATE LOAN	
INTEREST RATE: 4.190000	
REPAYMENT TERMS: \$480 DUE SEMIANNUALLY THROUGH 2014	
ENDING BALANCE DUE .....	6,467,515.
	-----

LENDER: SERIES 1994 TAXABLE BONDS PAYABLE	
ENDING BALANCE DUE .....	1,400,000.
	-----

LENDER: SERIES 1997 TAXABLE BONDS PAYABLE	
ENDING BALANCE DUE .....	7,500,000.
	-----

TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE	15,367,515.
	=====

FORM 990, PART IV - OTHER LIABILITIES

=====

DESCRIPTION	ENDING BOOK VALUE
-----	-----
ANNUITIES PAYABLE	22,655,624.
OTHER LIABILITIES & DEFERRALS	25,947,849.
POSTRETIREMENT BENEFITS	8,607,493.
TOTALS	----- 57,210,966. =====

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN

=====

DESCRIPTION	AMOUNT
-----	-----
RENTAL & BOOKSTORE EXPENSES	16,058,330.
	-----
TOTAL	16,058,330.
	=====

FORM 990, PART IV-A - OTHER REVENUE ON RETURN BUT NOT ON BOOKS

=====

DESCRIPTION	AMOUNT
-----	-----
TUITION DISCOUNT	44,444,247.
	-----
TOTAL	44,444,247.
	=====

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN

=====

DESCRIPTION	AMOUNT
-----	-----
RENTAL & BOOKSTORE EXPENSES	16,058,330.
	-----
TOTAL	16,058,330.
	=====

FORM 990, PART IV-B - OTHER EXPENSES ON RETURN BUT NOT ON BOOKS

=====

DESCRIPTION	AMOUNT
-----	-----
TUITION DISCOUNT	44,444,247.
TOTAL	----- 44,444,247.
	=====

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
NATHAN O. HATCH P.O. BOX 7226 WINSTON-SALEM, NC 27109	PRESIDENT 40	470,400.	238,093.	41,136.
JOHN P. ANDERSON P.O. BOX 7249 WINSTON-SALEM, NC 27109	CFO 40	320,318.	36,074.	15,374.
WILLIAM C. GORDON P.O. BOX 7688 WINSTON-SALEM, NC 27109	PROVOST 40	318,240.	33,809.	12,563.
LOUIS R. MORRELL P.O. BOX 7354 WINSTON-SALEM, NC 27109	TREASURER 40	234,365.	34,091.	6,909.
JAMES REID MORGAN P.O. BOX 7656 WINSTON-SALEM, NC 27109	SECRETARY 40	199,807.	30,206.	8,450.
ARTHUR PITTMAN P.O. BOX 7656 WINSTON-SALEM, NC 27109	ASST. SECRETARY 40	58,995.	11,718.	NONE
DIANA M. ADAMS P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
JERRY H. BAKER P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
-----	-----	-----	-----	-----
DAVID W. DUPREE P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
DONNA A. BOSWELL P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
A. DOYLE EARLY, JR. P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
BOBBY R. BURCHFIELD P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
JOCELYN BURTON P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
DONALD E. FLOW P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
J. DONALD COWAN, JR. P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
RONALD E. DEAL P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
ROBERT E. GREENE P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
GRAHAM W. DENTON, JR. P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
LISBETH C. EVANS P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
LELIA B. FARR P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
MARTIN L. GARCIA P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
MARVIN D. GENTRY P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 10	NONE	NONE	NONE
MURRAY C. GREASON, JR. P.O. BOX 7656 WINSTON-SALEM, NC 27109	VICE CHAIRMAN 10	NONE	NONE	NONE
WILLIAM B. GREENE, JR. P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 10	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
JAMES R. HELVEY, III P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
JAMES M. HOAK P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
THEODORE R. MEREDITH P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
ALICE KIRBY HORTON P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 10	NONE	NONE	NONE
ALBERT R. HUNT P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
JEANNETTE WALLACE HYDE P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
MICHAEL G. QUEEN P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
JAMES W. JUDSON, JR. P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
DEBORAH D. LAMBERT P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 10	NONE	NONE	NONE
DEE HUGHES LEROY P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
DOUGLAS F. MANCHESTER P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
WILLIAM L. MARKS P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
DEBORAH K. RUBIN P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
KENNETH D. MILLER P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 10	NONE	NONE	NONE
BARBARA B. MILLHOUSE P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
L. GLENN ORR, JR. P.O. BOX 7656 WINSTON-SALEM, NC 27109	CHAIRMAN 20	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
CELESTE MASON PITTMAN P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
ANDREW J. SCHINDLER P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
ADELAIDE A. SINK P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 10	NONE	NONE	NONE
ALEXANDRIA J. REYES P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
MITESH B. SHAH P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
LLOYD P. TATE, JR. P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
J. LANNY WADKINS, JR. P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
JAMES T. WILLIAMS, JR. P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 10	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
CHARLES JEFFREY YOUNG P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 5	NONE	NONE	NONE
KYLE A. YOUNG P.O. BOX 7656 WINSTON-SALEM, NC 27109	TRUSTEE 10	NONE	NONE	NONE
GRAND TOTALS		----- 1,602,125. =====	----- 383,991. =====	----- 84,432. =====

FORM 990, PART V-B - FORMER OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS -----	LOANS AND ADVANCES -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
THOMAS K. HEARN, JR. (FMR. OFF.) P.O. BOX 7626 WINSTON-SALEM, NC 27109		368,290.	202,892.	387,715.
NANCY MOORE (FMR. OFF.) P.O. BOX 7226 WINSTON-SALEM, NC 27109		51,000.	8,290.	70.
GRAND TOTALS		419,290.	211,182.	387,785.

-----  
 419,290.      211,182.      387,785.  
 =====

FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS

=====

RELATED ORGANIZATION NAME: IDEALLIANCE

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: IDEALLIANCE FOUNDATION

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: BRF DECK 1, LLC

EXEMPT: NONEXEMPT: X

RELATED ORGANIZATION NAME: BRF-A1, LLC

EXEMPT: NONEXEMPT: X

RELATED ORGANIZATION NAME: BRF-A1A, LLC

EXEMPT: NONEXEMPT: X

RELATED ORGANIZATION NAME: DIALYSIS ACCESS GROUP OF WFU, LLC

EXEMPT: NONEXEMPT: X

RELATED ORGANIZATION NAME: ELKIN DIALYSIS CENTER OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: HIGH POINT KIDNEY CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: HUNTERSVILLE DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: KING DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: LAKE NORMAN DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS

=====

RELATED ORGANIZATION NAME: LEXINGTON DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: MILLER ST. DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: MT. AIRY DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: NORTHSIDE DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: PARK IMP 1, LLC

EXEMPT: NONEXEMPT: X

RELATED ORGANIZATION NAME: PIEDMONT DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: PIEDMONT TRIAD RESEARCH PARK

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: PTRP HOLDINGS, LLC

EXEMPT: NONEXEMPT: X

RELATED ORGANIZATION NAME: REYNOLDA HOUSE, INC.

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: SALEM KIDNEY CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: SEED STAGE ASSOCIATION, LLC

EXEMPT: NONEXEMPT: X

FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS

=====

RELATED ORGANIZATION NAME: STATESVILLE DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: THE MEDICAL FNDTN OF WFUHS & NCBH

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: THOMASVILLE DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: TRIAD DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: WFU DEVELOPMENT FOUNDATION

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: WAKE FOREST UNIVERSITY FOUNDATION

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: WFU HEALTH SCIENCES

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: WEST IREDELL DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: YADKIN DIALYSIS CTR OF WFU

EXEMPT: X NONEXEMPT:

FORM 990, PART VII - PROGRAM SERVICE REVENUE  
 =====

DESCRIPTION -----	BUSINESS CODE -----	AMOUNT -----	EXCLUSION CODE -----	AMOUNT -----	RELATED OR EXEMPT FUNCTION INCOME -----
GROSS TUITION & FEES		NONE		NONE	158,609,698.
DORMITORIES & RESIDENCE		NONE		NONE	17,328,521.
ORGANIZED ACTIVITIES		NONE		NONE	4,265,361.
 TOTALS		----- NONE =====		----- NONE =====	----- 180,203,580. =====

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES

=====

LINE	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME
NO.	IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED
---	IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES
	-----

- 93A EDUCATION OF UNDERGRADUATE AND GRADUATE STUDENTS (INCLUDING  
LAW, BUSINESS, AND DIVINITY)
- 93B PROVIDE AFFORDABLE, CONVENIENT, AND SAFE ON-CAMPUS HOUSING  
FOR STUDENTS
- 93C COMMUNITY ACCESS TO UNIVERSITY FACILITIES AND PROGRAMS

FORM 990, PART IX - INFORMATION REGARDING TAXABLE SUBSIDIARIES

=====

NAME AND ADDRESS EMPLOYER IDENTIFICATION NUMBER -----	PERCENTAGE OWNERSHIP INTEREST -----	NATURE OF BUSINESS ACTIVITIES -----	TOTAL INCOME -----	ENDING ASSETS -----
WESTERN ASSET GLOBAL BOND PORT 2711 CENTERVILLE RD., STE 400 WILMINGTON, DE 19808 94-3403899	99.990000	INVESTMENTS	1,163,567.	26,366,087.
TOTAL INCOME			----- 1,163,567. =====	----- 26,366,087. =====

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

=====

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT
-----	-----	-----	-----	-----
GEORGE E. PROSSER P.O. BOX 7506 WINSTON-SALEM, NC 27109	COACH 40	924,843.	77,916.	16,689.
JIM B. GROBE P.O. BOX 7268 WINSTON-SALEM, NC 27109	COACH 40	815,247.	189,351.	16,781.
RONALD D. WELLMAN P.O. BOX 7265 WINSTON-SALEM, NC 27109	DIRECTOR ATHLETICS 40	420,000.	76,468.	9,306.
AJAY PATEL P.O. BOX 7659 WINSTON-SALEM, NC 27109	DEAN 40	315,000.	30,270.	13,415.
STEVE H. NICKLES P.O. BOX 7206 WINSTON-SALEM, NC 27109	PROFESSOR 40	221,672.	29,355.	85,574.
	TOTAL COMPENSATION	----- 2,696,762. =====	----- 403,360. =====	----- 141,765. =====

SCH. A, PART II-A COMPENSATION OF THE 5 HIGHEST PAID FOR PROF. SERV.

=====

NAME AND ADDRESS -----	TYPE OF SERVICE -----	COMPENSATION -----
WALTER ROBBS CALLAHAN & PIERCE 305 WEST FOURTH STREET WINSTON-SALEM, NC 27103	ARCHITECT	1,399,889.
TEK SYSTEMS P.O. BOX 198568 ATLANTA, GA 30384	IT CONSULTING	1,067,716.
KPMG, LLP 301 NORTH ELM STREET, SUITE 700 GREENSBORO, NC 27401	ACCOUNTING	155,000.
MITRE DESIGN 301 SOUTH LIBERTY STREET WINSTON-SALEM, NC 27101	GRAPHIC DESIGN	132,418.
PRESIDIO EXECUTIVE SEARCH P.O. BOX 29217 SAN FRANCISCO, CA 94129	EXECUTIVE SEARCH	127,369.
TOTAL COMPENSATION		----- 2,882,392. =====

SCH. A, PART II-B COMPENSATION OF THE 5 HIGHEST PAID FOR OTHER SERV.

=====

NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
-----	-----	-----
SUNGARD SCT P.O. BOX 7777-W6825 PHILADELPHIA, PA 19175	SOFTWARE LICENSE	1,784,021.
CISCO SYSTEMS P.O. BOX 60000 SAN FRANCISCO, CA 94160	SOFTWARE MAINTENANCE	1,632,068.
IL LONG CONSTRUCTION CO. P.O. BOX 4186 WINSTON-SALEM, NC 27115	CONTRACTOR	1,591,144.
RESOURCE PAINTING P.O. BOX 1428 YADKINVILLE, NC 27055	PAINTING	1,165,647.
FRANK L. BLUM CONSTRUCTION CO. P.O. BOX 4153 WINSTON-SALEM, NC 27115	CONTRACTOR	708,693.
TOTAL COMPENSATION		----- 6,881,573. =====

SCHEDULE A, PART III - EXPLANATION FOR LINE 2B

=====

THE UNIVERSITY HAS AN INTEREST RATE SWAP AGREEMENT WITH BANK OF AMERICA. AN OFFICER OF THIS CORPORATION, GRAHAM DENTON, SERVED AS A UNIVERSITY TRUSTEE DURING THE FISCAL YEAR. THE TRANSACTION WAS CONDUCTED AT ARM'S LENGTH.

THE UNIVERSITY HAS TAXABLE VARIABLE RATE BONDS OUTSTANDING PURSUANT TO A TRUST AGREEMENT WITH BB&T. AN OFFICER OF THIS CORPORATION, ROBERT GREENE, SERVED AS A UNIVERSITY TRUSTEE DURING THE FISCAL YEAR. THE TRANSACTION WAS CONDUCTED AT ARM'S LENGTH.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2C  
=====

THE UNIVERSITY PROVIDES HOUSING TO THE UNIVERSITY PRESIDENT AND AUTOMOBILES TO CERTAIN OFFICERS. THESE TRANSACTIONS WERE REPORTED ON PART V FORM 990, AS REQUIRED. THESE TRANSACTIONS WERE CONDUCTED AT ARM'S LENGTH.

DURING THE COURSE OF ROUTINE BUSINESS, THE UNIVERSITY UTILIZED THE SERVICES OF WOMBLE, CARLYLE, SANDRIDGE, AND RICE, PLLC, AS OUTSIDE LEGAL COUNSEL ON VARIOUS MATTERS. A MEMBER IN THIS FIRM, MURRAY GREASON, SERVED AS A UNIVERSITY TRUSTEE DURING THE FISCAL YEAR. THE FIRM WAS PAID ON AN ARM'S LENGTH BASIS IN THE AMOUNT OF \$75,647.

DURING THE COURSE OF ROUTINE BUSINESS, THE UNIVERSITY UTILIZED THE SERVICES OF KILPATRICK STOCKTON, LLP OUTSIDE AS LEGAL COUNSEL ON VARIOUS MATTERS. A MEMBER IN THIS FIRM, JOCELYN BURTON, SERVED AS A UNIVERSITY TRUSTEE DURING THE FISCAL YEAR. THE FIRM WAS PAID ON AN ARM'S LENGTH BASIS IN THE AMOUNT OF \$10,372.

DURING THE COURSE OF ROUTINE BUSINESS, THE UNIVERSITY PURCHASED AUTOMOBILES FROM FLOW AUTOMOTIVE COMPANIES. AN OFFICER OF THIS CORPORATION DON FLOW, SERVED AS A UNIVERSITY TRUSTEE DURING THE FISCAL YEAR. THE TRANSACTIONS WERE CONDUCTED AT ARM'S LENGTH IN THE AMOUNT OF \$69,819.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2E  
=====

A UNIVERSITY TRUSTEE, JEANETTE WALLACE HYDE, HAS A CHARITABLE TRUST AGREEMENT WITH THE UNIVERSITY. THE UNIVERSITY PAID INTEREST TO THE TRUSTEE DURING THE YEAR PER THE TERMS OF THE CHARITABLE TRUST AGREEMENT IN THE AMOUNT OF \$25,698.28.

A UNIVERSITY TRUSTEE, DEBORAH K. RUBIN, HAS A CHARITABLE GIFT ANNUITY WITH THE UNIVERSITY. PER THE TERMS OF THE CHARITABLE GIFT ANNUITY, HER HUSBAND RECEIVED PAYMENTS DURING THE YEAR IN THE AMOUNT OF \$6,729.75.

SCHEDULE A, PART III - EXPLANATION FOR LINE 3A  
=====

SEE STATEMENT 1

SCHEDULE A, PART V - EXPLANATION FOR LINE 34A  
=====

THE UNIVERSITY RECEIVES FINANCIAL AID AS PART OF ITS EDUCATIONAL PURPOSE,  
WHICH IS THEN AWARDED TO ELIGIBLE STUDENTS.

**SCHEDULE D  
(Form 1041)**

Department of the Treasury  
Internal Revenue Service

# Capital Gains and Losses

▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).**

OMB No. 1545-0092

## 2005

Name of estate or trust

Employer identification number

WAKE FOREST UNIVERSITY

56-0532138

**Note:** Form 5227 filers need to complete **only** Parts I and II.

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

	(a) Description of property (Example, 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 34)	(f) Gain or (Loss) for the entire year (col. (d) less col. (e))
1						
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824					2
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts					3
4	Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2004 Capital Loss Carryover Worksheet					4 ( )
5	<b>Net short-term gain or (loss).</b> Combine lines 1 through 4 in column (f). Enter here and on line 13, column (3) below					5

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

	(a) Description of property (Example, 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 34)	(f) Gain or (Loss) for the entire year (col. (d) less col. (e))
6	SEE STATEMENT 1			350,018,000.	308,906,069.	41,111,931.
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824					7
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts					8
9	Capital gain distributions					9
10	Gain from Form 4797, Part I					10
11	Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2004 Capital Loss Carryover Worksheet					11 ( )
12	<b>Net long-term gain or (loss).</b> Combine lines 6 through 11 in column (f). Enter here and on line 14a, column (3) below					12 41,111,931.

**Part III Summary of Parts I and II**

**Caution:** Read the instructions *before* completing this part.

		(1) Beneficiaries' (see page 36)	(2) Estate's or trust's	(3) Total
13 <b>Net short-term gain or (loss)</b>	13			
14 <b>Net long-term gain or (loss):</b>				
a Total for year	14a			41,111,931.
b Unrecaptured section 1250 gain (see line 18 of the worksheet on page 35)	14b			
c 28% rate gain or (loss)	14c			
15 <b>Total net gain or (loss).</b> Combine lines 13 and 14a	15			41,111,931.

**Note:** If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4. If lines 14a and 15, column (2), are net gains, go to Part V, and **do not** complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2005

**Part IV Capital Loss Limitation**

**16** Enter here and enter as a (loss) on Form 1041, line 4, the **smaller** of:  
**a** The loss on line 15, column (3) **or**  
**b** \$3,000 . . . . . **16** ( \_\_\_\_\_ )

*If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22, is a loss, complete the **Capital Loss Carryover Worksheet** on page 37 of the instructions to determine your capital loss carryover.*

**Part V Tax Computation Using Maximum Capital Gains Rates** (Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22 is more than zero.)

**Note:** *If line 14b, column (2) or line 14c, column (2) is more than zero, complete the worksheet on page 38 of the instructions and skip Part V. Otherwise, go to line 17.*

<b>17</b>	Enter taxable income from Form 1041, line 22 . . . . .	<b>17</b>	
<b>18</b>	Enter the <b>smaller</b> of line 14a or 15 in column (2) but not less than zero . . . . .	<b>18</b>	
<b>19</b>	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) . . . . .	<b>19</b>	
<b>20</b>	Add lines 18 and 19 . . . . .	<b>20</b>	
<b>21</b>	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- . . . ▶	<b>21</b>	
<b>22</b>	Subtract line 21 from line 20. If zero or less, enter -0- . . . . .	<b>22</b>	
<b>23</b>	Subtract line 22 from line 17. If zero or less, enter -0- . . . . .	<b>23</b>	
<b>24</b>	Enter the <b>smaller</b> of the amount on line 17 or \$2,000 . . . . .	<b>24</b>	
<b>25</b>	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> <b>Yes.</b> Skip lines 25 through 27; go to line 28 and check the "No" box. <input type="checkbox"/> <b>No.</b> Enter the amount from line 23 . . . . .	<b>25</b>	
<b>26</b>	Subtract line 25 from line 24 . . . . .	<b>26</b>	
<b>27</b>	Multiply line 26 by 5% (.05) . . . . .	<b>27</b>	
<b>28</b>	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> <b>Yes.</b> Skip lines 28 through 31; go to line 32. <input type="checkbox"/> <b>No.</b> Enter the <b>smaller</b> of line 17 or line 22 . . . . .	<b>28</b>	
<b>29</b>	Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . . .	<b>29</b>	
<b>30</b>	Subtract line 29 from line 28 . . . . .	<b>30</b>	
<b>31</b>	Multiply line 30 by 15% (.15) . . . . .	<b>31</b>	
<b>32</b>	Figure the tax on the amount on line 23. Use the 2005 Tax Rate Schedule on page 23 of the instructions . . . . .	<b>32</b>	
<b>33</b>	Add lines 27, 31, and 32 . . . . .	<b>33</b>	
<b>34</b>	Figure the tax on the amount on line 17. Use the 2005 Tax Rate Schedule on page 23 of the instructions . . . . .	<b>34</b>	
<b>35</b>	<b>Tax on all taxable income.</b> Enter the <b>smaller</b> of line 33 or line 34 here and on line 1a of Schedule G, Form 1041 . . . . .	<b>35</b>	



EIN: 56-0532138  
 FYE: 06/30/2006

FORM 990, PART IV, LINE 57 - FIXED ASSETS and DEPRECIATION

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<u>Description</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	5,648,853.	NONE	5,648,853.
Land Improvements	106315268.	63531281.	42783987.
Buildings	230583825.	68938636.	161645189.
Leasehold Improvements			
Equipment	152083574.	133765699.	18317875.
Furniture & Fixtures			
Property, Plant & Equipment	<u>494631520.</u>	<u>266235616.</u>	<u>228395904.</u>
Construction in Progress		NONE	
<b>Total Fixed Assets, line 57</b>	<u>494631520.</u>	<u>266235616.</u>	<u>228395904.</u>

NOTE: Depreciation is calculated using the straight-line method over the estimated useful life of the asset.

COMPANY NAME WAKE FOREST UNIVERSITY  
 EIN: 56-0532138  
 FYE 06/30/2006

FORM 990, PART IV, LINE 55 - FIXED ASSETS and DEPRECIATION

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<u>Description</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	185,250.	NONE	185,250.
Land Improvements			
Buildings	47418300.	20893623.	26524677.
Leasehold Improvements			
Equipment			
Furniture & Fixtures			
Property, Plant & Equipment	<u>47603550.</u>	<u>20893623.</u>	<u>26709927.</u>
Construction in Progress		NONE	
<b>Total Fixed Assets, line 55</b>	<u><u>47603550.</u></u>	<u><u>20893623.</u></u>	<u><u>26709927.</u></u>

NOTE: Depreciation is calculated using the straight-line method over the estimated useful life of the asset.