

SOUTHERN ARKANSAS UNIVERSITY FOUNDATION, INC.
Magnolia, Arkansas

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INDEPENDENT AUDITORS' REPORT

To the Board of Governors
Southern Arkansas University Foundation, Inc.
Magnolia, Arkansas 71754

We have audited the accompanying statements of assets and liabilities arising from cash transactions of the Southern Arkansas University Foundation, Inc., as of December 31, 2010 and 2009 and the related statements of income collected and expenses paid for the years then ended. These financial statements are the responsibility of the foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of the Southern Arkansas University Foundation, Inc., as of December 31, 2010 and 2009, and its income collected and expenses paid during the years then ended, on the basis of accounting as described in Note A.

Wood and Wood, Ltd.

May 31, 2011

SOUTHERN ARKANSAS UNIVERSITY FOUNDATION, INC.
Magnolia, Arkansas

STATEMENTS OF ASSETS AND LIABILITIES -CASH BASIS
December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash on Hand and in Banks (Note B)	\$ <u>3,225,063</u>	\$ <u>1,303,816</u>
<u>Investment</u>		
Total Investments (Note C)	\$ <u>18,725,075</u>	\$ <u>16,833,174</u>
<u>Other Assets</u>		
Miscellaneous Property	\$ <u>650,000</u>	\$ <u>650,000</u>
Total Assets	\$ <u>22,600,138</u>	\$ <u>18,786,990</u>
<u>LIABILITIES AND FUND BALANCES</u>		
<u>Current Liabilities</u>		
Note Payable -Farmers Bank (Note F)	\$ <u>159,500</u>	\$ <u>187,509</u>
<u>Fund Balances (Note E)</u>		
Unrestricted Funds	\$ 670	\$ 16,431
Restricted Funds	<u>22,439,968</u>	<u>18,583,050</u>
Total Fund Balances	\$ <u>22,440,638</u>	\$ <u>18,599,481</u>
Total Liabilities and Fund Balances	\$ <u>22,600,138</u>	\$ <u>18,786,990</u>

The accompanying notes are an integral part of the financial statements

SOUTHERN ARKANSAS UNIVERSITY FOUNDATION, INC.
Magnolia, Arkansas

STATEMENT OF CHANGES IN FUND BALANCES -CASH BASIS
December 31, 2010 and 2009

	Unrestricted Fund	Restricted Fund	Total Funds
Fund Balances, January 1, 2009	\$ 47,023	\$ 19,532,233	\$ 19,579,256
Additions (Reductions)			
Net Income (Loss), Year Ended 12-31-09	<u>(30,592)</u>	<u>(949,183)</u>	<u>(979,775)</u>
Fund Balances, December 31, 2009	\$ 16,431	\$ 18,583,050	\$ 18,599,481
Additions (Reductions)			
Net Income (Loss), Year Ended 12-31-10	<u>(15,761)</u>	<u>3,856,918</u>	<u>3,841,157</u>
Fund Balances, December 31, 2010	<u>\$ 670</u>	<u>\$ 22,439,968</u>	<u>\$ 22,440,638</u>

The accompanying notes are an integral part of the financial statements

SOUTHERN ARKANSAS UNIVERSITY FOUNDATION, INC.
Magnolia, Arkansas

STATEMENTS OF RECEIPTS AND EXPENDITURES AND FUND BALANCES -CASH BASIS
For the years ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<u>Receipts</u>		
Contributions Received	\$ 4,902,915	\$ 779,953
Investment Income	440,939	(665,583)
Miscellaneous Income	<u>1,817</u>	<u>0</u>
Total Income	<u>\$ 5,345,671</u>	<u>\$ 114,370</u>
<u>Expenditures</u>		
Grants and Allocations	\$ 1,039,073	\$ 801,103
Annuities	63,869	63,869
Awards and Promotions	46,333	52,407
Audits and Accounting	3,057	3,131
Printing and Publications	1,559	12,901
Travel	8,679	2,600
Conferences , Meetings and Lectures	87,312	55,378
Trustee Fees	61,243	57,512
Maintenance -Reynolds	154,000	0
Administrative	<u>39,389</u>	<u>45,244</u>
Total Expenses	<u>\$ 1,504,514</u>	<u>\$ 1,094,145</u>
Receipts Over (Under) Expenditures	\$ 3,841,157	\$(979,775)
Fund Balances -Cash Basis, Beginning of Year	<u>18,599,481</u>	<u>19,579,256</u>
Fund Balances -Cash Basis, End of Year	<u>\$ 22,440,638</u>	<u>\$ 18,599,481</u>

The accompanying notes are an integral part of the financial statements

SOUTHERN ARKANSAS UNIVERSITY FOUNDATION, INC.
Magnolia, Arkansas

NOTES TO ACCOMPANY FINANCIAL STATEMENTS -CASH BASIS
December 31, 2010 and 2009

Note A: Summary of Significant Accounting Policies:

Principles

The Southern Arkansas University Foundation, Inc., prepares its financial statements on the cash basis. Under this basis, income is recognized when collected rather than when earned and expenses are recognized when paid rather than when incurred. Consequently, pledges receivable due from donors, income earned on investments, but not received, amounts due under contractual obligations, accounts payable, and accrued expenses are not included in the financial statements as of December 31, 2010 and 2009.

Investments

The investments of the Southern Arkansas University Foundation, Inc., are under the direction of a trustee using guidelines established by the Foundation. The trustees during the years ending December 31, 2010 and 2009 were, the Farmers Bank and Trust Co., of Magnolia, Arkansas, and Mustard Seed Financial, LLC of Magnolia, Arkansas.

Income Taxes

The Southern Arkansas University Foundation, Inc. is a nonprofit, charitable corporation, established under Act 176 of Acts of Arkansas-1963. Tax-exempts status was granted to the Foundation under Section 501 (c) (3) of the Internal Revenue Code.

Note B: Cash on Hand and in Banks:

The cash balances as of December 31, 2010 and 2009 represent cash on hand and in banks as of these respective dates. The Foundation's Public Relations Fund, Lacy Crain Fund, President's Fund and Director's Fund are on deposit in Southern Arkansas University's Agency Account, and the Endowment Fund is an individual account maintained by the Foundation. The respective balances are as follows:

	<u>2010</u>	<u>2009</u>
Public Relations Fund	\$ 3,776	\$ 7,541
President's Fund	32,871	24,533
Lacy Crain Fund	1,082	1,082
Director's Fund	14,065	16,723
Miscellaneous Agency Funds	1,111,857	1,196,572
Certificate of Deposit	1,961,462	0
Cash on Hand	<u>99,950</u>	<u>57,365</u>
Total	<u>\$ 3,225,063</u>	<u>\$ 1,303,816</u>

Note C: Investments:

The investments of the Southern Arkansas University Foundation, Inc., are recorded at cost in the records of the Foundation. The following tabulations present investment cost and market value of such investments as of December 31, 2010 and 2009.

	<u>2010</u>		<u>2009</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Bonds	\$ 5,228,405	\$ 5,103,320	\$ 5,168,179	\$ 5,149,714
Stocks	11,386,724	12,865,538	10,776,690	10,549,545
Other Assets	<u>2,109,946</u>	<u>2,109,946</u>	<u>888,305</u>	<u>888,305</u>
	<u>\$ 18,725,075</u>	<u>\$ 20,078,804</u>	<u>\$ 16,833,174</u>	<u>\$ 16,587,564</u>

Note D: Annuities and Remainder Trusts:

The Southern Arkansas University Foundation, Inc., and John L. and Margaret B. Clary on September 29, 1997 entered into an agreement whereby Mr. and Mrs. Clary agreed to deliver to the Foundation a \$15,000.00 cash gift. In consideration for such gift, the Foundation agrees to pay Mr. and Mrs. Clary specific semi-annual payments for the remainder of their lifetimes beginning April 1, 1998. Annually the payments total \$1,005.00.

The Southern Arkansas University Foundation, Inc., and Mr. and Mrs. William E. Morgan on June 17, 1999 entered into an agreement whereby Mr. and Mrs. Morgan agreed to deliver to the Foundation a gift of marketable securities with a market value of \$101,015.70. In consideration for such gift, the Foundation agrees to pay Mr. and Mrs. Morgan specific quarterly payments for the remainder of their lifetime beginning September 17, 1999. Annually the payments total \$7,071.12.

The Southern Arkansas University Foundation, Inc., and Kathryn N. Bancroft on October 10, 2000 entered into an agreement where by Mrs. Bancroft agreed to deliver to the Foundation a gift of marketable securities with a market value of \$26,471.32. In consideration for such gift, the Foundation agrees to pay Mrs. Bancroft specific semi-annual payments for the remainder of her lifetime beginning April 12, 2001. Annually the payments total \$2,038.30.

The Southern Arkansas University Foundation, Inc. and Mr. and Mrs. Billy C. Wallace on June 25, 2001 entered into an agreement whereby Mr. and Mrs. Wallace agreed to deliver the Foundation a \$403.00 cash gift and a gift of marketable securities with a market value of \$9,597.00. In consideration for such gift, the Foundation agrees to pay Mr. and Mrs. Wallace specific semi-annual payments for the remainder of their lifetimes beginning December 25, 2001. Annually the payments total \$740.02.

The Southern Arkansas University Foundation Inc., and Mr. and Mrs. Jimmie D. Solomon on October 20, 2003 entered into an agreement where by Mr. and Mrs. Solomon agreed to deliver to the Foundation a gift of marketable securities with a market value of \$10,297.88. In consideration for such gift the foundation agrees to pay Mr. and Mrs. Solomon specific annual payments for the remainder of their lifetimes beginning October 20, 2004. Annually the payments total \$514.90.

The Southern Arkansas University Foundation Inc. and Mr. and Mrs. Phillip E. Laney on November 14, 2005 entered into an agreement whereby the Laney's delivered certain property to a Charitable Remainder Annuity Trust. The Foundation is the income beneficiary and remainder man of the trust. The annuity payments are currently \$52,500 annually for a period of ten years beginning December 15, 2005.

Note E: Fund Balances:

The amounts contained in Fund Balances designated as "Unrestricted" and "Restricted" are determinations of the Southern Arkansas University Foundation, Inc. The determinations are based on the following criteria:

Unrestricted Funds: Funds received that are not restricted by the donor. Expenditure or disbursement from such principal funds and earnings are made in accordance with established guidelines.

Restricted Funds: Funds received the principal balance and earning there from, which are restricted by the donor. Expenditure or disbursement from such principal funds and earnings are made in accordance with donor instructions.

Note F: Note Payable-Farmers Bank

The Foundation secured financing from the Farmers Bank & Trust Co., of Magnolia, Arkansas in the amount of \$596,027. The note is a 6.00% unsecured loan due December 14, 2011. Payments totaling \$28,009 were made during the year.

Note G: Evaluation of Subsequent Events

The Foundation has evaluated subsequent events through June 8, 2011, the date which the financial statements were available to be issued.

Form **8879-EO**

**IRS e-file Signature Authorization
for an Exempt Organization**

OMB No. 1545-1878

For calendar year 2010, or fiscal year beginning _____, 2010, and ending _____, 20_____

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

▶ **See instructions on back.**

2010

Department of the Treasury
Internal Revenue Service

Name of exempt organization **SOUTHERN ARKANSAS UNIVERSITY
FOUNDATION, INC.**

Employer identification number
71-0549140

Name and title of officer **JEANIE BISMARK
EXECUTIVE DIRECTOR**

Part I Type of Return and Return Information (Whole Dollars Only)

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

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue , if any (Form 990, Part VIII, column (A), line 12)	1b	5,345,671
2a Form 990-EZ check here ▶ <input type="checkbox"/>	b Total revenue , if any (Form 990-EZ, line 9)	2b	
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b	
4a Form 990-PF check here ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance Due (Form 8868, Part I, line 3c or Part II, line 8c)	5b	

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2010 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize WOOD AND WOOD, LTD to enter my PIN 12345 as my signature
ERO firm name Enter five numbers, but
do not enter all zeros

on the organization's tax year 2010 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2010 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature } _____ Date } **06/02/11**

Part III Certification and Authentication

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

71272223456
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2010 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature } _____ Date } _____

**ERO Must Retain This Form—See Instructions
Do Not Submit This Form To the IRS Unless Requested To Do So**

For Paperwork Reduction Act Notice, see back of form.

Form **8879-EO** (2010)

Form **990**

Department of the Treasury
Internal Revenue Service

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)

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

OMB No. 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning _____, and ending _____

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization **SOUTHERN ARKANSAS UNIVERSITY FOUNDATION, INC.**
 Doing Business As _____
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
P. O. BOX 9174
 City or town, state or country, and ZIP + 4
MAGNOLIA AR 71754-9174

D Employer identification number
71-0549140

E Telephone number _____

F Name and address of principal officer: _____

G Gross receipts \$ **11,734,199**

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list. (see instructions)

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

J Website: **WWW.SAUFUNDATION.ORG**

K Form of organization: Corporation Trust Association Other **u**

L Year of formation: _____ **M** State of legal domicile: _____

H(c) Group exemption number **u**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: PROVIDE FINANCIAL AID & SCHOLARSHIPS		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3 28	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4 28	
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5 0	
	6 Total number of volunteers (estimate if necessary)	6	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	
b Net unrelated business taxable income from Form 990-T, line 34	7b 0		
Revenue	8 Contributions and grants (Part VIII, line 1h)	779,953	4,902,915
	9 Program service revenue (Part VIII, line 2g)		
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-669,958	436,639
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,374	6,117
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	114,369	5,345,671
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	801,103	1,039,073
	14 Benefits paid to or for members (Part IX, column (A), line 4)	63,869	63,869
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) u 59,610		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	229,173	401,575
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1,094,145	1,504,517	
19 Revenue less expenses. Subtract line 18 from line 12	-979,776	3,841,154	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	18,786,987	22,600,132
	21 Total liabilities (Part X, line 26)	187,509	159,500
	22 Net assets or fund balances. Subtract line 21 from line 20	18,599,478	22,440,632

Part II Signature Block

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

Sign Here

Signature of officer: **JEANIE BISMARK** Date: _____
 Type or print name and title: **EXECUTIVE DIRECTOR**

Paid Preparer Use Only

Print/Type preparer's name: **WALTER D. WOOD** Preparer's signature: _____ Date: **06/02/11** Check if self-employed PTIN: **P01053849**

Firm's name: **WOOD AND WOOD, LTD** Firm's EIN: **71-0538593**
 Firm's address: **PO BOX 356 MAGNOLIA, AR 71754-0356** Phone no.: **870-234-4343**

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

For Paperwork Reduction Act Notice, see the separate instructions.

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

1 Briefly describe the organization's mission:

PROVIDE FINANCIAL AID & SCHOLARSHIPS

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 366,115 including grants of \$ 302,246) (Revenue \$) SOUTHERN ARKANSAS UNIVERSITY-FUNDS GIVEN BY THE FOUNDATION SOUTHERN ARKANSAS UNIVERSITY FOR ACADEMIC SCHOLARSHIPS TO HIGH ABILITY STUDENTS

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$) REYNOLDS GRANT MAINTENANCE AGREEMENT

4c (Code:) (Expenses \$ 736,827 including grants of \$ 736,827) (Revenue \$) SOUTHERN ARKANSAS UNIVERSITY-FUNDS GIVEN TO SUPPLEMENT DEPARTMENT OPERATIONS

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

(Expenses \$ 87,312 including grants of \$) (Revenue \$)

4e Total program service expenses u 1,190,254

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)		X
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	X	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		X
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		X
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
b	If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		
20b			

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Table with columns for question numbers (1a-14b), Yes, and No. Contains various tax-related questions and their corresponding responses.

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DEBBIE ARNOLD	1.00	X					0	0	0	
(2) LAWRENCE BEARDEN	1.00	X					0	0	0	
(3) LOUIS BLACHARD	1.00	X					0	0	0	
(4) HAROLD BRINSON EMERITUS	1.00	X					0	0	0	
(5) TRAVIS BUCHANAN	1.00	X					0	0	0	
(6) PHIL BROOKS	1.00	X					0	0	0	
(7) TIM DANIELS	1.00	X					0	0	0	
(8) MARK DIXON	1.00	X					0	0	0	
(9) P. NATHAN EVERS CHAIRMAN	1.00	X		X			0	0	0	
(10) HAROLD FINCHER EMERITUS	1.00	X					0	0	0	
(11) JEANNE FRANKS	1.00	X					0	0	0	
(12) PAUL GEAN	1.00	X					0	0	0	
(13) ROGER GILES EX OFFICIO	1.00	X					0	0	0	
(14) MARY HARSH	1.00	X					0	0	0	
(15) RICKY HUGHES	1.00	X					0	0	0	
(16) JULIA MACHEN	1.00	X					0	0	0	

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17) KATHLEEN MALLORY	1.00	X					0	0	0	
(18) DARRELL MORRISON EX OFFICIO	1.00	X					0	0	0	
(19) WILLIAM O'BRIEN	1.00	X					0	0	0	
(20) DAVID RANKIN EX OFFICIO	1.00	X					0	0	0	
(21) DAVID REYNOLDS, III	1.00	X					0	0	0	
(22) TEDDY REYNOLDS	1.00	X					0	0	0	
(23) J. W. ROWE	1.00	X					0	0	0	
(24) W. R. SCURLOCK	1.00	X					0	0	0	
(25) WILLIS BEENE	1.00	X					0	0	0	
(26) SHARON EICHENBERGER	1.00	X					0	0	0	
(27) JOE PIERATT	1.00	X					0	0	0	
(28) STEPHEN WEAVER	1.00	X					0	0	0	
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **u 0**

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

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

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **u 0**

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions) ..	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	4,902,915			
	g Noncash contributions included in lines 1a-1f: \$					
	h Total. Add lines 1a-1f	u	4,902,915			
Program Service Revenue		Busn. Code				
	2a					
	b					
	c					
	d					
	e					
	f All other program service revenue					
g Total. Add lines 2a-2f	u					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	u	453,538	453,538		
	4 Income from investment of tax-exempt bond proceeds	u				
	5 Royalties	u	6,117	6,117		
		(i) Real	(ii) Personal			
	6a Gross Rents					
	b Less: rental exps.					
	c Rental inc. or (loss)					
	d Net rental income or (loss)	u				
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
		6,360,061	11,568			
	b Less: cost or other basis & sales exps.					
		6,388,528				
	c Gain or (loss)					
		-28,467	11,568			
	d Net gain or (loss)	u	-16,899	-16,899		
8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a					
b Less: direct expenses	b					
c Net income or (loss) from fundraising events	u					
9a Gross income from gaming activities. See Part IV, line 19	a					
b Less: direct expenses	b					
c Net income or (loss) from gaming activities	u					
10a Gross sales of inventory, less returns and allowances	a					
b Less: cost of goods sold	b					
c Net income or (loss) from sales of inventory	u					
Miscellaneous Revenue	Busn. Code					
11a						
b						
c						
d All other revenue						
e Total. Add lines 11a-11d	u					
12 Total revenue. See instructions.	u	5,345,671	442,756	0	0	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	1,039,073	1,039,073		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members	63,869	63,869		
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	3,057		3,057	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	61,243		61,243	
g Other				
12 Advertising and promotion	46,333			46,333
13 Office expenses	5,252		5,252	
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel	8,679		8,679	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	87,312	87,312		
20 Interest	11,251		11,251	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	4,735		4,735	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a MAINTENANCE:REYNOLDS BLDG	154,000		154,000	
b ADMINISTRATIVE	13,277			13,277
c TIMBER FEES	6,436		6,436	
d				
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	1,504,517	1,190,254	254,653	59,610
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1	Cash—non-interest bearing	1,303,813	1	1,263,595
	2	Savings and temporary cash investments	888,296	2	4,071,399
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	650,009		
	b	Less: accumulated depreciation	650,009	10c	650,009
	11	Investments—publicly traded securities	15,944,869	11	16,615,129
	12	Investments—other securities. See Part IV, line 11		12	
	13	Investments—program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11		15	
16	Total assets. Add lines 1 through 15 (must equal line 34)	18,786,987	16	22,600,132	
Liabilities	17	Accounts payable and accrued expenses		17	
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities. Complete Part X of Schedule D	187,509	25	159,500
	26	Total liabilities. Add lines 17 through 25	187,509	26	159,500
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets		27	
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds	16,431	30	670
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds	18,583,047	32	22,439,962
33	Total net assets or fund balances	18,599,478	33	22,440,632	
34	Total liabilities and net assets/fund balances	18,786,987	34	22,600,132	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	5,345,671
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,504,517
3	Revenue less expenses. Subtract line 2 from line 1	3	3,841,154
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	18,599,478
5	Other changes in net assets or fund balances (explain in Schedule O)	5	
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	22,440,632

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
2b	Were the organization's financial statements audited by an independent accountant?	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

u Attach to Form 990 or Form 990-EZ. u See separate instructions.

Name of the organization **SOUTHERN ARKANSAS UNIVERSITY FOUNDATION, INC.** Employer identification number **71-0549140**

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

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

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

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

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

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

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

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) u	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	1,083,015	1,037,284	1,252,328	779,953	4,902,915	9,055,495
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	1,083,015	1,037,284	1,252,328	779,953	4,902,915	9,055,495
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						9,055,495

Section B. Total Support

Calendar year (or fiscal year beginning in) u	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	1,083,015	1,037,284	1,252,328	779,953	4,902,915	9,055,495
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1,367,620	1,076,819	532,423	-665,584		2,311,278
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						11,366,773

12 Gross receipts from related activities, etc. (see instructions) 12 459,655

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	79.67 %
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	65.29 %

16a 33 1/3% support test—2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶

b 33 1/3% support test—2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶

17a 10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶

b 10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) u	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) u	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests—2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests—2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

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

PART II, LINE 10 - OTHER INCOME DETAIL

OTHER INCOME \$ 0

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

u Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

u Attach to Form 990. u See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: SOUTHERN ARKANSAS UNIVERSITY FOUNDATION, INC. Employer identification number: 71-0549140

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4 for totals, 5-6 for questions about donor advised funds.

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

Questions 1-9 regarding conservation easements, including a table for 'Held at the End of the Tax Year' with rows 2a-2d.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Questions 1a-1b and 2a-2b regarding collections of art and historical treasures, including dollar amounts.

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

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

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

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

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

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

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

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

- c** Beginning balance
- d** Additions during the year
- e** Distributions during the year
- f** Ending balance

	Amount
1c	
1d	
1e	
1f	

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

b If "Yes," explain the arrangement in Part XIV.

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

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

2 Provide the estimated percentage of the year end balance held as:

- a** Board designated or quasi-endowment **u**
- b** Permanent endowment **u**
- c** Term endowment **u**

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

- (i)** unrelated organizations
- (ii)** related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

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

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	650,009			650,009
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) **u** **650,009**

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		

Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) **u**

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) **u**

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) **u**

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) NOTE PAYABLE	159,500
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) u	159,500

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

**SCHEDULE I
(Form 990)**

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

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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

u Attach to Form 990.

Name of the organization **SOUTHERN ARKANSAS UNIVERSITY
FOUNDATION, INC.** Employer identification number
71-0549140

Part I General Information on Grants and Assistance

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

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed **u**

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							

- 2** Enter total number of section 501(c)(3) and government organizations **u** _____
- 3** Enter total number of other organizations **u** _____

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

u Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization **SOUTHERN ARKANSAS UNIVERSITY
FOUNDATION, INC.**

Employer identification number
71-0549140

FORM 990, PART III, LINE 4D - ALL OTHER ACHIEVEMENTS

**SOUTHERN ARKANSAS UNIVERSITY-LECTURES, PROGRAMS, MEETINGS,
CONCERTS, ETC.**

FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990

**EXECUTIVE DIRECTOR RECEIVES A COPY OF THE FORM 990 AND REVIEWS AND
DISCUSSES THE RETURN WITH THE BOARD OF DIRECTORS AND UNIVERSITY MANAGEMENT.
UPON APPROVAL THE FORMS ARE SIGNED AND RETURNED TO THE ACCOUNTANTS' OFFICE
FOR TRANSMITTAL OF THE RETURN.**

FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION

NO DOCUMENTS AVAILABLE TO THE PUBLIC