

THE CONSERVATION FUND A NONPROFIT
CORPORATION
FORM 990
TAX YEAR 2010



CBIZ MHM, LLC

3 Bethesda Metro Center, Suite 600
Bethesda, MD 20814
(301) 951-3636

9755 Patuxent Wood Drive, Suite 200
Columbia, MD 21046
(443) 656-3044

MAY 13, 2011

THE CONSERVATION FUND A NONPROFIT
CORPORATION
1655 N. FORT MYER DRIVE
ARLINGTON, VA 22209-3199

DEAR DAVID:

ENCLOSED ARE THE ORIGINAL AND ONE COPY OF YOUR INCOME TAX RETURNS
FOR THE PERIOD ENDED DECEMBER 31, 2010 FOR:

THE CONSERVATION FUND A NONPROFIT
CORPORATION AS FOLLOWS...

2010 990 - RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX
2010 SCHEDULE A - PUBLIC CHARITY STATUS AND PUBLIC SUPPORT
2010 SCHEDULE B - SCHEDULE OF CONTRIBUTORS
2010 SCHEDULE C - POLITICAL CAMPAIGN AND LOBBYING ACTIVITIES
2010 SCHEDULE D - SUPPLEMENTAL FINANCIAL STATEMENTS
2010 SCHEDULE I - GRANTS & OTHER ASSIST. TO ORG/GOV/IND. IN THE U.S
2010 SCHEDULE J - COMPENSATION INFORMATION
2010 SCHEDULE L - TRANSACTIONS WITH INTERESTED PERSONS
2010 SCHEDULE M - NONCASH CONTRIBUTIONS
2010 SCHEDULE O - SUPPLEMENTAL INFORMATION TO FORM 990 OR 990EZ
2010 SCHEDULE R - RELATED ORGANIZATIONS AND UNRELATED PARTNERSHIPS
2010 8879-EO - IRS E-FILE SIGNATURE AUTHORIZATION

EACH ORIGINAL SHOULD BE DATED, SIGNED AND FILED IN ACCORDANCE WITH
THE FILING INSTRUCTIONS. THE COPY SHOULD BE RETAINED FOR YOUR FILES.

THE ENCLOSED RETURNS WERE PREPARED PRIMARILY FROM DATA AND INFORMATION
WHICH YOU SUBMITTED. YOU SHOULD REVIEW THE RETURNS TO ENSURE THAT
THERE ARE NO OMISSIONS OR MISSTATEMENTS.

UPON AN AUDIT OF THE RETURN(S), REQUESTS MAY BE MADE FOR SUPPORTING
DOCUMENTATION. THEREFORE, WE RECOMMEND THAT YOU RETAIN ALL PERTINENT
RECORDS.

FORM 990 MUST BE MADE AVAILABLE FOR PUBLIC INSPECTION FOR A PERIOD
OF THREE YEARS, BEGINNING WITH THE DATE THE RETURN IS FILED. THE
AVAILABLE DOCUMENT MUST BE AN EXACT COPY OF THE RETURN AND SCHEDULES
(INCLUDING SCHEDULE B), AS FILED WITH THE IRS, EXCEPT THAT THE NAMES
AND THE ADDRESSES OF THE CONTRIBUTORS MAY BE EXCLUDED. ANY
ORGANIZATION THAT FAILS TO COMPLY WITH THIS PROVISION IS SUBJECT TO A
PENALTY OF \$20 FOR EACH DAY THAT INSPECTION IS NOT PERMITTED, UP TO A
MAXIMUM OF \$10,000. ANY ORGANIZATION THAT WILLFULLY FAILS TO COMPLY

SHALL BE SUBJECT TO AN ADDITIONAL PENALTY OF \$5,000. YOU ARE ALSO REQUIRED TO PROVIDE COPIES OF THE RETURN IF YOU RECEIVE SUCH A REQUEST. SHOULD YOU RECEIVE A REQUEST FOR INSPECTION OR FOR COPIES OF YOUR RETURN, YOU MAY WANT TO CONTACT US FOR FURTHER DETAILS.

THESE RETURNS WERE PREPARED FROM INFORMATION PROVIDED BY YOU OR YOUR REPRESENTATIVE. THE PREPARATION OF TAX RETURNS DOES NOT INCLUDE THE INDEPENDENT VERIFICATION OF INFORMATION USED. THEREFORE, WE RECOMMEND YOU REVIEW THE RETURNS BEFORE SIGNING TO ENSURE THERE ARE NO OMISSIONS OR MISSTATEMENTS. IF YOU NOTE ANYTHING WHICH MAY REQUIRE A CHANGE TO THE RETURNS, PLEASE CONTACT US BEFORE FILING THEM.

WE SINCERELY APPRECIATE THIS OPPORTUNITY TO SERVE YOU. PLEASE CONTACT US IF YOU HAVE QUESTIONS CONCERNING THE RETURNS OR IF WE MAY BE OF FURTHER ASSISTANCE.

SINCERELY,

JORGE ESTRADA
CERTIFIED PUBLIC ACCOUNTANT



CBIZ MHM, LLC

3 Bethesda Metro Center, Suite 600
Bethesda, MD 20814
(301) 951-3636

9755 Patuxent Wood Drive, Suite 200
Columbia, MD 21046
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INSTRUCTIONS FOR FILING
THE CONSERVATION FUND A NONPROFIT
CORPORATION
FORM 8879-EO - IRS E-FILE SIGNATURE AUTHORIZATION
FOR THE PERIOD ENDED DECEMBER 31, 2010

SIGNATURE...

THE ORIGINAL IRS E-FILE SIGNATURE AUTHORIZATION FORM SHOULD BE SIGNED (USE FULL NAME) AND DATED BY THE TAXPAYER.

FILING...

RETURN YOUR SIGNED FORM 8879-EO TO:

CBIZ MHM, LLC
3 BETHESDA METRO CENTER, SUITE 600
BETHESDA MD 20814

PAYMENT OF TAX...

NO PAYMENT OF TAX IS REQUIRED.

TO DOCUMENT THE TIMELY FILING OF YOUR TAX RETURN(S), WE SUGGEST THAT YOU OBTAIN AND RETAIN PROOF OF MAILING. PROOF OF MAILING CAN BE ACCOMPLISHED BY SENDING THE TAX RETURN(S) BY REGISTERED OR CERTIFIED MAIL (METERED BY THE U.S. POSTAL SERVICE) OR THROUGH THE USE OF AN IRS APPROVED DELIVERY METHOD PROVIDED BY AN IRS DESIGNATED PRIVATE DELIVERY SERVICE.

FORM 8879-EO SERVES AS A REPLACEMENT FOR YOUR SIGNATURE THAT WOULD BE AFFIXED TO FORM 990 IF YOU PAPER FILED YOUR RETURN. PLEASE DO NOT SEPARATELY FILE FORM 990 WITH THE INTERNAL REVENUE SERVICE. DOING SO WILL DELAY THE PROCESSING OF YOUR RETURN.

WE MUST RECEIVE YOUR SIGNED FORM BEFORE WE CAN ELECTRONICALLY TRANSMIT YOUR RETURN WHICH IS DUE ON MAY 16, 2011. WE WOULD APPRECIATE YOUR RETURNING THIS FORM AS SOON AS POSSIBLE AS THIS WILL EXPEDITE THE PROCESSING OF YOUR RETURN. THE INTERNAL REVENUE SERVICE WILL NOTIFY US WHEN YOUR RETURN IS ACCEPTED. YOUR RETURN IS NOT CONSIDERED FILED UNTIL THE INTERNAL REVENUE SERVICE CONFIRMS THEIR ACCEPTANCE, WHICH MAY OCCUR AFTER THE DUE DATE OF YOUR RETURN.

IRS e-file Signature Authorization for an Exempt Organization

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

Employer identification number

THE CONSERVATION FUND A NONPROFIT

52-1388917

Name and title of officer

DAVID PHILLIPS, CHIEF FINANCIAL OFFICER

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-E0 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 **b Total revenue**, if any (Form 990, Part VIII, column (A), line 12) **1b** 171187837.
- 2a Form 990-EZ check here **b Total revenue**, if any (Form 990-EZ, line 9) **2b** _____
- 3a Form 1120-POL check here **b Total tax** (Form 1120-POL, line 22) **3b** _____
- 4a Form 990-PF check here **b Tax based on investment income** (Form 990-PF, Part VI, line 5) **4b** _____
- 5a Form 8868 check here **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 CBIZ MHM, LLC to enter my PIN

1	4	2	6	7
---	---	---	---	---

 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 ▶ 05/13/2011

Part III Certification and Authentication

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

5	2	7	6	9	4	3	4	1	8	6
---	---	---	---	---	---	---	---	---	---	---

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)

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 2010 calendar year, or tax year beginning , 2010, and ending , 20

B Check if applicable:	C Name of organization THE CONSERVATION FUND A NONPROFIT CORPORATION	D Employer identification number 52-1388917
<input type="checkbox"/> Address change	Doing Business As	E Telephone number (703) 525-6300
<input type="checkbox"/> Name change	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1655 N. FORT MYER DRIVE 1300	
<input type="checkbox"/> Initial return	City or town, state or country, and ZIP + 4 ARLINGTON, VA 22209-3199	G Gross receipts \$ 171,187,837.
<input type="checkbox"/> Terminated	F Name and address of principal officer: DAVID PHILLIPS 1655 N. FORT MYER DR, STE 1300 ARLINGTON, VA 22209-3199	
<input type="checkbox"/> Amended return	I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)() (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Application pending	J Website: WWW.CONSERVATIONFUND.ORG	H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		H(c) Group exemption number ▶
L Year of formation: 1985		M State of legal domicile: MD

Part I Summary

1	Briefly describe the organization's mission or most significant activities: <u>THE CONSERVATION FUND CREATES PARTNERSHIPS WITH THE PRIVATE SECTOR, NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES TO PROTECT OUR OUTDOOR HERITAGE.</u>		
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	16.
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	15.
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	158.
6	Total number of volunteers (estimate if necessary)	6	0.
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	
b	Net unrelated business taxable income from Form 990-T, line 34	7b	
Revenue	8 Contributions and grants (Part VIII, line 1h)	107,775,505.	66,073,636.
	9 Program service revenue (Part VIII, line 2g)	78,129,182.	104,755,122.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	795,804.	359,079.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.	0.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	186,700,491.	171,187,837.
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	3,273,345.
14 Benefits paid to or for members (Part IX, column (A), line 4)		0.	0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		13,533,213.	15,023,823.
16 a Professional fundraising fees (Part IX, column (A), line 11e)		0.	0.
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 2,047,476.			
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)		138,241,354.	174,470,576.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	155,047,912.	194,226,696.	
19 Revenue less expenses. Subtract line 18 from line 12	31,652,579.	-23,038,859.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	464,087,787.	438,919,778.
	21 Total liabilities (Part X, line 26)	62,024,901.	59,895,751.
	22 Net assets or fund balances. Subtract line 21 from line 20	402,062,886.	379,024,027.

Part II Signature Block

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

Sign Here	▶ Signature of officer	Date			
	▶ Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN P00631770
	Firm's name ▶ CBIZ MHM, LLC	Firm's EIN ▶ 34-1862269		Phone no. 301-951-3636	
	Firm's address ▶ 3 BETHESDA METRO CENTER, SUITE 600 BETHESDA, MD 20814				
May the IRS discuss this return with the preparer shown above? (see instructions)					<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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

1 Briefly describe the organization's mission:

THE CONSERVATION FUND CREATES PARTNERSHIPS WITH THE PRIVATE SECTOR,
NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES TO PROTECT OUR OUTDOOR
HERITAGE.

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

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

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

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

4 Describe the 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 \$ 189,080,793. including grants of \$ 4,732,297.) (Revenue \$ 104,755,122.)

ATTACHMENT 1

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

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

4d Other program services. (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► 189,080,793.

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)? <i>If "Yes," complete Schedule A</i>	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? <i>If "Yes," complete Schedule C, Part I</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? <i>If "Yes," complete Schedule C, Part II</i>	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? <i>If "Yes," complete Schedule C, Part III</i>		
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? <i>If "Yes," complete Schedule D, Part I</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? <i>If "Yes," complete Schedule D, Part II</i>	X	
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		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? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	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? <i>If "Yes," complete Schedule D, Part VI</i>	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? <i>If "Yes," complete Schedule D, Part VII</i>		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? <i>If "Yes," complete Schedule D, Part VIII</i>		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? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	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)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12 a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14 a 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? <i>If "Yes," complete Schedule F, Parts I and IV</i>		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? <i>If "Yes," complete Schedule F, Parts II and IV</i>		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? <i>If "Yes," complete Schedule F, Parts III and IV</i>		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? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>		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? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20 a Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		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)		X

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 21 through 38 regarding grants, compensation, tax-exempt bonds, and controlled entities.

Part V Statements Regarding Other IRS Filings and Tax Compliance
 Check if Schedule O contains a response to any question in this Part V.

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

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

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

Section A. Governing Body and Management

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

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates?; 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?; 11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Does the organization have a written conflict of interest policy? If "No," go to line 13; 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done; 13 Does the organization have a written whistleblower policy?; 14 Does the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ATTACHMENT 2
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. [X] Own website [] Another's website [] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: MICHAEL COX 1655 N. FORT MYER DRIVE, STE 1300 ARLINGTON, VA 22209-3199 (703) 525-6300

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 organization 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) J RUTHERFORD SEYDEL II CHAIRMAN	3.00	X					0.	0.	0.	
(2) TRUMAN T SEMANS SR DIRECTOR	3.00	X					0.	0.	0.	
(3) R MICHAEL LEONARD VICE CHAIRMAN	3.00	X					0.	0.	0.	
(4) NORMAN L CHRISTENSEN JR DIRECTOR	3.00	X					0.	0.	0.	
(5) GEORGE A RANNEY JR DIRECTOR	3.00	X					0.	0.	0.	
(6) KAY KELLEY ARNOLD DIRECTOR	3.00	X					0.	0.	0.	
(7) B FRANCIS SAUL III DIRECTOR	3.00	X					0.	0.	0.	
(8) DENNIS H REILLEY DIRECTOR	3.00	X					0.	0.	0.	
(9) SYLVIA A EARLE DIRECTOR	3.00	X					0.	0.	0.	
(10) GEORGINA A MORENO DIRECTOR	3.00	X					0.	0.	0.	
(11) GRAY N THORNTON DIRECTOR	3.00	X					0.	0.	0.	
(12) DAVID N WEIDMAN DIRECTOR	3.00	X					0.	0.	0.	
(13) JAMES M WHITEHURST DIRECTOR	3.00	X					0.	0.	0.	
(14) STEPHEN A. ELBERT DIRECTOR	3.00	X					0.	0.	0.	
(15) KENNETH OLDEN DIRECTOR	3.00	X					0.	0.	0.	
(16) CHARLES R. JORDAN DIRECTOR	3.00	X					50,000.	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) KEITH CAMPBELL DIRECTOR	3.00	X					0.	0.	0.	
(18) LAWRENCE A SELZER PRESIDENT & CEO	37.50			X			389,713.	0.	216,417.	
(19) DAVID K PHILLIPS JR EXECUTIVE VP AND CFO	37.50			X			216,387.	0.	80,827.	
(20) SYDNEY S MACY SENIOR VICE PRESIDENT	37.50			X			193,887.	0.	66,287.	
(21) RICHARD L ERDMANN EXECUTIVE VP & GENERAL COUNCIL	37.50			X			448,531.	0.	153,617.	
(22) JOSEPH A HANKINS VICE PRESIDENT	37.50			X			142,635.	0.	47,737.	
(23) JEAN POMPA ASST. SECRETARY/LEGAL MANAGER	37.50			X			79,827.	0.	23,352.	
(24) BETH ANN BURNS ASST. SECRETARY/EXECUT. ASST.	37.50			X			81,429.	0.	24,112.	
(25) REX R BONER VICE PRESIDENT	37.50			X			159,533.	0.	36,680.	
(26) MARK W ELSBREE VICE PRESIDENT	37.50			X			143,492.	0.	58,087.	
(27) ERIK J MEYERS VICE PRESIDENT	37.50			X			165,519.	0.	41,312.	
(28) JODI R O'DAY VICE PRESIDENT	37.50			X			182,591.	0.	58,176.	
1b Sub-total							2,253,544.	0.	806,604.	
c Total from continuation sheets to Part VII, Section A ATTACHMENT 3							1,971,492.	0.	590,266.	
d Total (add lines 1b and 1c)							4,225,036.	0.	1,396,870.	

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 **39**

	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
ATTACHMENT 4		

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 **4**

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	297,412.				
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions) . .	1e	8,825,912.				
	f All other contributions, gifts, grants, and similar amounts not included above .	1f	56,950,312.				
	g Noncash contributions included in lines 1a-1f: \$		12,960,137.				
	h Total. Add lines 1a-1f			66,073,636.			
Program Service Revenue		Business Code					
	2a CONTRACT INCOME		531390	13,856,620.	13,856,620.		
	b INTEREST INCOME FROM DEMONSTRATION PROJ.		531390	796,994.	796,994.		
	c SALE OF DEMONSTRATION PROJECTS						
	d (LAND AND EASEMENTS) TO OTHERS		531390	89,391,303.	89,391,303.		
	e OTHER PROGRAM INCOME		900099	265,447.	265,447.		
	f All other program service revenue		531390	444,758.	444,758.		
g Total. Add lines 2a-2f			104,755,122.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ATTACHMENT 5			359,079.			359,079.
	4 Income from investment of tax-exempt bond proceeds . . .			0.			
	5 Royalties			0.			
		(i) Real	(ii) Personal				
	6a Gross Rents						
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss)			0.			
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory						
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss)			0.			
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
c Net income or (loss) from fundraising events			0.				
9a Gross income from gaming activities. See Part IV, line 19	a						
b Less: direct expenses	b						
c Net income or (loss) from gaming activities			0.				
10a Gross sales of inventory, less returns and allowances	a						
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory			0.				
Miscellaneous Revenue	Business Code						
11a _____							
b _____							
c _____							
d All other revenue							
e Total. Add lines 11a-11d			0.				
12 Total revenue. See instructions			171,187,837.	104,755,122.		359,079.	

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	4,732,297.	4,732,297.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	4,058,417.	3,467,436.	372,911.	218,070.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	8,417,098.	6,367,322.	1,289,832.	759,944.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	676,229.	289,782.	246,697.	139,750.
9 Other employee benefits	1,111,668.	908,967.	127,051.	75,650.
10 Payroll taxes	760,411.	624,401.	85,195.	50,815.
11 Fees for services (non-employees):				
a Management	154,102.	144,418.	5,165.	4,519.
b Legal	447,347.	338,241.	64,572.	44,534.
c Accounting	130,943.	99,006.	18,901.	13,036.
d Lobbying	60,057.	56,133.	2,179.	1,745.
e Professional fundraising services. See Part IV, line 17	0.			
f Investment management fees	0.			
g Other	7,213,603.	6,711,272.	291,890.	210,441.
12 Advertising and promotion	0.			
13 Office expenses	798,883.	652,596.	91,254.	55,033.
14 Information technology	102,405.	77,227.	15,901.	9,277.
15 Royalties	0.			
16 Occupancy	1,289,540.	995,936.	185,396.	108,208.
17 Travel	1,095,005.	974,498.	71,595.	48,912.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	112,379.	100,586.	7,068.	4,725.
20 Interest	749,945.	722,618.	3,197.	24,130.
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	130,031.	120,761.	5,576.	3,694.
23 Insurance	239,678.	201,485.	23,758.	14,435.
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 <u>BOOK VALUE OF LAND SOLD</u>	140,270,593.	140,270,593.		
b <u>EXTERNAL TRANSFER</u>	18,268,214.	18,268,214.		
c <u>ACQUISITIONS & PROGRAM COSTS</u>	1,559,433.	1,500,874.	8,570.	49,989.
d <u>REAL ESTATE/PERS PROP TAXES</u>	897,868.	859,035.	10,604.	28,229.
e <u>RESEARCH SUPPLIES & EQUIP.</u>	340,548.	317,035.	13,755.	9,758.
f All other expenses	610,002.	280,060.	157,360.	172,582.
25 Total functional expenses. Add lines 1 through 24f	194,226,696.	189,080,793.	3,098,427.	2,047,476.
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	2,129,535.	1	0.
	2 Savings and temporary cash investments	60,499,755.	2	69,729,664.
	3 Pledges and grants receivable, net	6,613,881.	3	7,077,379.
	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	208,579.	9	208,772.
	10 a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 2,230,772.		
	b Less: accumulated depreciation	10b 1,144,678.	1,216,125.	10c 1,086,094.
	11 Investments - publicly traded securities	5,472,014.	11	5,256,887.
	12 Investments - other securities. See Part IV, line 11	2,436,557.	12	4,209,677.
	13 Investments - program-related. See Part IV, line 11	17,563,173.	13	12,361,360.
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	367,948,168.	15	338,989,945.
16 Total assets. Add lines 1 through 15 (must equal line 34)	464,087,787.	16	438,919,778.	
Liabilities	17 Accounts payable and accrued expenses	3,942,048.	17	4,329,085.
	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 ATCH. 7	38,415,240.	23	36,960,046.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D	19,667,613.	25	18,606,620.
	26 Total liabilities. Add lines 17 through 25	62,024,901.	26	59,895,751.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	231,893,143.	27	215,626,941.
	28 Temporarily restricted net assets	101,993,315.	28	92,776,328.
	29 Permanently restricted net assets	68,176,428.	29	70,620,758.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	402,062,886.	33	379,024,027.	
34 Total liabilities and net assets/fund balances	464,087,787.	34	438,919,778.	

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	171,187,837.
2	Total expenses (must equal Part IX, column (A), line 25)	2	194,226,696.
3	Revenue less expenses. Subtract line 2 from line 1	3	-23,038,859.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	402,062,886.
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	379,024,027.

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 type="checkbox"/> Cash <input checked="" 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 type="checkbox"/> Separate basis <input checked="" 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.	X	

Form **990** (2010)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization THE CONSERVATION FUND A NONPROFIT CORPORATION

Employer identification number
52-1388917

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?

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

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

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

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

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

Schedule A (Form 990 or 990-EZ) 2010

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

Table with 7 columns: (a) 2006, (b) 2007, (c) 2008, (d) 2009, (e) 2010, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2006, (b) 2007, (c) 2008, (d) 2009, (e) 2010, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc.; 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

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) 87.08%; 15 Public support percentage from 2009 Schedule A, Part II, line 14 85.69%; 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 [X]; 16b 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; 17b 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) ►	(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) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10 a 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	%

19 a 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; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

2010

Name of the organization THE CONSERVATION FUND A NONPROFIT CORPORATION	Employer identification number 52-1388917
--	---

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 an organization 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 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions 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 990-EZ that received from any one contributor, during the year, 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. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization THE CONSERVATION FUND A NONPROFIT CORPORATION

Employer identification number
52-1388917

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	RICHARD KING MELLON FOUNDATION PO BOX 690 LIGONIER, PA 15658	\$ 9,500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	MT. CUBA CENTER, INC. PO BOX 3570 GREENVILLE, DE 19807-0570	\$ 1,500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	FELBURN FOUNDATION 1515 E. SILVER SPRINGS BLVD, SUITE #1188 OCALA, FL 34470	\$ 1,919,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	THE BLANDIN FOUNDATION 100 POKEGAMA AVE GRAND RAPIDS, MN 55744	\$ 6,900,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	GORDON AND BETTY MOORE FOUNDATION 1661 PAGE MILL ROAD PALO ALTO, CA 94304	\$ 2,110,651.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	FRED STANBACK 507 WEST INNES ST., #270 SALISBURY, NC 28144	\$ 1,896,410.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization THE CONSERVATION FUND A NONPROFIT CORPORATION	Employer identification number 52-1388917
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Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	KEITH AND REBECCA BROWN ----- 129 TIMBERHILL PLACE ----- CHAPEL HILL, NC 27514 -----	\$ 1,750,760.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	CASEY RANCH, LLP AND MILLIRON RANCH ----- 14895 LOWER SPRING CREEK RD ----- HERMOSA, SD 57444 -----	\$ 2,213,543.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	STATE OF WI, DEPT. OF NATURAL RESOURCES ----- BOX 7921 ----- MADISON, WI 53707 -----	\$ 1,886,250.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10	WYOMING WILDLIFE & NATURAL RESOURCE TRST ----- 500 E FREMONT ----- RIVERTON, WY 82501 -----	\$ 1,338,350.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11	US DEPT OF AGRICULTURE ----- 1400 INDEPENDENCE AVENUE SW ----- WASHINGTON, DC 20250 -----	\$ 1,600,329.	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.)

Name of organization THE CONSERVATION FUND A NONPROFIT CORPORATION	Employer identification number 52-1388917
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Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
7	CONTRIBUTION OF CONSERVATION LAND <hr/> <hr/> <hr/>	\$ 1,750,760.	07/29/2010
8	CONTRIBUTION OF CONSERVATION LAND <hr/> <hr/> <hr/>	\$ 2,213,543.	08/23/2010
_____	<hr/> <hr/> <hr/>	\$ _____	_____
_____	<hr/> <hr/> <hr/>	\$ _____	_____
_____	<hr/> <hr/> <hr/>	\$ _____	_____
_____	<hr/> <hr/> <hr/>	\$ _____	_____

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities
For Organizations Exempt From Income Tax Under section 501(c) and section 527

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization is described below.**
▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

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

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

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

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

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

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

Name of organization THE CONSERVATION FUND A NONPROFIT CORPORATION	Employer identification number 52-1388917
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV.

2 Political expenditures ▶ \$ _____

3 Volunteer hours _____

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

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No

4a Was a correction made? Yes No

b If "Yes," describe in Part IV.

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

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ _____

3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ _____

4 Did the filing organization file **Form 1120-POL** for this year? Yes No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

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

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

- A** Check if the filing organization belongs to an affiliated group.
B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1 a	Total lobbying expenditures to influence public opinion (grass roots lobbying)	10,000.	10,000.												
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	347,246.	347,246.												
c	Total lobbying expenditures (add lines 1a and 1b)	357,246.	357,246.												
d	Other exempt purpose expenditures	51,551,381.	52,524,844.												
e	Total exempt purpose expenditures (add lines 1c and 1d)	51,908,627.	52,882,090.												
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	1,000,000.	1,000,000.												
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g	Grassroots nontaxable amount (enter 25% of line 1f)	250,000.	250,000.												
h	Subtract line 1g from line 1a. If zero or less, enter -0-														
i	Subtract line 1f from line 1c. If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No													

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2 a Lobbying nontaxable amount	1,000,000.	1,000,000.	1,000,000.	1,000,000.	4,000,000.
b Lobbying ceiling amount (150% of line 2a, column (e))					6,000,000.
c Total lobbying expenditures	241,410.	396,887.	414,050.	357,246.	1,409,593.
d Grassroots nontaxable amount	250,000.	250,000.	250,000.	250,000.	1,000,000.
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000.
f Grassroots lobbying expenditures	2,500.	150,525.	16,000.	10,000.	179,025.

Schedule C (Form 990 or 990-EZ) 2010

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

Table with 3 main columns: (a) Yes/No, (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation...; 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?; 2b If "Yes," enter the amount of any tax incurred under section 4912; 2c If "Yes," enter the amount of any tax incurred by organization managers under section 4912; 2d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?.

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

Table with 3 columns: Question, Yes, No. Rows include: 1 Were substantially all (90% or more) dues received nondeductible by members?; 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?; 3 Did the organization agree to carryover lobbying and political expenditures from the prior year?.

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

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

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

Series of horizontal dashed lines for providing supplemental information.

Part IV Supplemental Information *(continued)*

**SCHEDULE D
(Form 990)**

Supplemental Financial Statements

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 6, 7, 8, 9, 10, 11, or 12.**

▶ **Attach to Form 990.** ▶ **See separate instructions.**

Name of the organization THE CONSERVATION FUND A NONPROFIT CORPORATION

Employer identification number 52-1388917

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

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

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

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

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

	Held at the End of the Tax Year
a Total number of conservation easements	2a 32.
b Total acreage restricted by conservation easements	2b 81,391.
c Number of conservation easements on a certified historic structure included in (a)	2c 0.
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d 7.

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ 12.

4 Number of states where property subject to conservation easement is located ▶ 6.

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

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ 167.

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ 0.

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

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

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

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

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

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

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

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

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

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

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

Schedule D (Form 990) 2010

JSA
0E1268 1.000

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 XI V and complete the following table:

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

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	68,176,428.	61,506,947.	59,835,047.		
b Contributions	2,444,330.	6,669,481.	1,671,900.		
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	70,620,758.	68,176,428.	61,506,947.		

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

- a Board designated or quasi-endowment _____ %
- b Permanent endowment 100.0000 %
- c Term endowment _____ %

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)		X
3a(ii)		X
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				
b Buildings		1,273,455.	498,771.	774,684.
c Leasehold improvements		296,447.	182,156.	114,291.
d Equipment		660,870.	463,751.	197,119.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				1,086,094.

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.) ▶		

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.) ▶		

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

(a) Description	(b) Book value
(1) DEMO PRJCTS--LAND & EASEMENTS	338,989,945.
(2) INVESTMENT IN DEMO PRJCTS VENT	
(3) DUE FROM AFFILIATED ORGS	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	338,989,945.

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

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) AMOUNTS DUE OTHER NONPROFIT ORGS.	17,864,835.
(3) DEPOSITS HELD	741,785.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	18,606,620.

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).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	171,187,837.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	194,226,696.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	-23,038,859.
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	-23,038,859.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	171,187,837.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	171,187,837.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	171,187,837.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	194,226,696.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	194,226,696.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	194,226,696.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIV Supplemental Information (continued)

CONSERVATION EASEMENTS

SCHEDULE D, PART II, LINE 9

CONSERVATION EASEMENTS ARE CLASSIFIED AS OTHER ASSETS--DEMONSTRATION PROJECTS--"LAND AND EASEMENTS HELD FOR GENERAL PURPOSES" ON THE BALANCE SHEET. EASEMENTS ARE ACQUIRED BY GIFT OR PURCHASES AND ARE VALUED AT THE APPRAISED VALUE WHEN ACQUIRED. WHEN EASEMENTS ARE TRANSFERRED, INCLUDING BY SALE, THE PROCEEDS ARE INCLUDED AS PART OF TOTAL SUPPORT AND REVENUE AND ARE SHOWN AS "PROCEEDS FROM SALE OF DEMONSTRATION PROJECTS." THE BOOK VALUE OF THE EASEMENT AND TRANSACTION COSTS INCURRED WITH THE TRANSFER ARE SHOWN AS PROGRAM SERVICE EXPENSES UNDER THE CAPTION "BOOK VALUE OF LAND SOLD."

PERMANENTLY RESTRICTED NET ASSETS

SCHEDULE D, PART V, LINE 4

THE CONSERVATION FUND RECORDS CONTRIBUTIONS TO ITS REVOLVING FUNDS WITH PERMANENT DONOR-IMPOSED STIPULATIONS AS PERMANENTLY RESTRICTED NET ASSETS. THESE NET ASSETS ARE USED TO FINANCE DEMONSTRATION PROJECTS.

INVESTMENTS - PROGRAM RELATED

SCHEDULE D, PART VIII

THE CONSERVATION FUND HAS ADVANCED FUNDS IN THE FORM OF NOTES RECEIVABLE TO VARIOUS ORGANIZATIONS IN CARRYING OUT PROJECT OR LAND TRANSACTIONS. THERE ARE 28 NOTES OUTSTANDING AT 12/31/10 WITH PRINCIPAL AMOUNTS RANGING FROM APPROXIMATELY \$40,000 TO \$3,000,000 WITH INTEREST RATES BETWEEN 3.8 AND 6.0%. MANAGEMENT CONSIDERS ALL NOTES RECEIVABLE TO BE FULLY COLLECTIBLE, THEREFORE, THE NOTES ARE CARRIED AT COST.

Part XIV Supplemental Information (continued)

FIN 48 FOOTNOTE

SCHEDULE D, PART X, LINE 2

THE FUND HAS ADOPTED ASC TOPIC 740-10 (FORMERLY INTERPRETATION NO. 48, "ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES") WHICH PRESCRIBES MEASUREMENT AND DISCLOSURE REQUIREMENTS FOR CURRENT AND DEFERRED INCOME TAX PROVISIONS. THE INTERPRETATION PROVIDES FOR A CONSISTENT APPROACH IN IDENTIFYING AND REPORTING UNCERTAIN TAX PROVISIONS. THE ADOPTION OF THIS PRONOUNCEMENT DID NOT HAVE AN IMPACT ON THE COMBINED FINANCIAL STATEMENTS.

**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.

▶ Attach to Form 990.

Name of the organization THE CONSERVATION FUND A NONPROFIT CORPORATION

Employer identification number
52-1388917

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

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)	AREA WIDE HEALTH COMMITTEE P.O. BOX 114 TILLERY, NC 27887-0114	56-2249904	501 C 3	6,000.				GRANT TO ADVOCATE FO
(2)	ASSOC. CNTY COMMISSIONERS OF GEORGIA CIVIC 50 HURT PLAZA, SUITE 1000 ATLANTA, GA 30303	58-1044477	N/A	20,000.				GRANT TO SUPPORT STA
(3)	BAYOU VERMILION DISTRICT P.O. BOX 53935 LAFAYETTE, LA 70505	72-1018287	N/A	5,900.				MINI GRANTS TO RAISE
(4)	BLUE RIDGE WOMEN IN AGRICULTURE P.O. BOX 67 BOONE, NC 28607	34-2011588	501 C 3	7,500.				TO ADVOCATE FOR SUST
(5)	BLUE SPRINGS-HOKE COUNTY CDC P.O. BOX 157 RAEFORD, NC 28376-0157	56-1941518	501 C 3	20,000.				TO ADVOCATE FOR SUST
(6)	BOUNTIFUL CITIES PROJECT P.O. BOX 898 ASHEVILLE, NC 28802-0898	05-0587434	501 C 3	7,500.				TO ADVOCATE FOR SUST
(7)	CAMERON HEIGHTS COMMUNITY ACTION PROJECT P.O. BOX 8 RAEFORD, NC 28376-0008	26-2918675	501 C 3	7,000.				TO ADVOCATE FOR SUST
(8)	CENTRAL INDIANA LAND TRUST 1500 N. DELAWARE STREET	35-1816493	501 C 3	69,787.				GRANT FOR ADDITION T
(9)	CENTRO DE ENLACE P.O. BOX 236 BURNSVILLE, NC 28714-0236	02-0715759	501 C 3	20,000.				TO ADVOCATE FOR SUST
(10)	C O L FOUNDATION 274 UNION BOULEVARD, SUITE 320	84-1072741	501 C 3	15,000.				FUNDING TO MONITOR C
(11)	COLORADO CONSERVATION TRUST 1551 OGDEN STREET DENVER, CO 80218	84-1565898	501 C 3	15,000.				SUPPORT OF THE COLOR
(12)	CONCERNED CITIZENS OF TILLERY P.O. BOX 61 TILLERY, NC 27887	58-1482653	501 C 3	6,000.				TO ADVOCATE FOR SUST

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

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

Schedule I (Form 990) (2010)

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

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

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

▶ Attach to Form 990.

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Employer identification number

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

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)	CONSERVATION TRUST FOR NC 1028 WASHINGTON STREET RALEIGH, NC 27605	58-1552188	501 C 3	25,000.				SPONSORSHIP
(2)	THE MISSISSIPPI VALLEY CONSERVANCY, INC 201 MAIN STREET, SUITE 1001	39-1871201	501 C 3	150,000.				GRANT TO ASSIST IN A
(3)	DUKE UNIVERSITY CHAPEL AS FISCAL AGENT FOR 614 SHEPARD STREET DURHAM, NC 27701	56-0532129	501 C 3	11,000.				TO ADVOCATE FOR SUST
(4)	EPISCOPAL FARMWORKER MINISTRY P.O. BOX 160 NEWTON GROVE, NC 28366	20-4942554	501 C 3	20,000.				TO ADVOCATE FOR SUST
(5)	FOUNDATION FOR PENNSYLVANIA WATERSHEDS 116 MARKET STREET, SUITE 4	20-8746105	501 C 3	10,000.				CONTRIBUTION TO GROW
(6)	FRIENDS OF THE JSCNWT 410 SEVERN AVENUE, SUITE 204	26-2271377	501 C 3	250,000.				GRANT FOR COST OF OR
(7)	FULL GOSPEL DELIVERANCE OUTREACH MINISTRY 3510 MOSSDALE AVENUE DURHAM, NC 27707	43-2012779	501 C 3	7,500.				TO ADVOCATE FOR SUST
(8)	GREEN OPPORTUNITIES INC. P.O. BOX 7235 ASHEVILLE, NC 28802-7235	26-4230288	501 C 3	9,000.				TO ADVOCATE FOR SUST
(9)	HARNETT VOICES FOR COMMUNITY & LEADERSHIP D P.O. BOX 1089 LILINGTON, NC 27546-1089	58-2087049	501 C 3	7,500.				TO ADVOCATE FOR SUST
(10)	HOLLISTER REACH P.O. BOX 135 HOLLISTER, NC 27850-0135	58-1611278	501 C 3	7,000.				TO ADVOCATE FOR SUST
(11)	IDAHO CONSERVATION LEAGUE P.O. BOX 844 BOISE, ID 83701	82-6042478	501 C 3	12,195.				GRANT TO PROTECT PIO
(12)	JACKSON COUNTY GREEN ENERGY PARK 401 GRINDSTAFF COVE ROAD SYLVA, NC 28779	56-6000310	501 C 3	20,000.				TO ADVOCATE FOR SUST

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

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Schedule I (Form 990) (2010)

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

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

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

▶ Attach to Form 990.

OMB No. 1545-0047

2010

**Open to Public
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Employer identification number

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

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)	JEFFERSON COUNTY PUBLIC SERVICE DISTRICT 340 EDMOND ROAD, SUITE A	55-0662529	N/A	7,450.				SUPPORT FOR ROCKYMAR
(2)	JUST ECONOMICS P.O. BOX 2396 ASHEVILLE, NC 28802-2396	61-1403579	501 C 3	7,500.				TO ADVOCATE FOR SUST
(3)	LAND TRUST ALLIANCE 1660 L. STREET NW, SUITE 1100	04-2751357	501 C 3	10,000.				TO SPONSOR LTA RALLY
(4)	LAND TRUST FOR THE LITTLE TENNESSEE P.O. BOX 1148 FRANKLIN, NC 28744-1148	56-2142199	501 C 3	7,500.				TO ADVOCATE FOR SUST
(5)	LATINO ADVOCACY COALITION 505-B BROOKSIDE CAMP ROAD	52-2267574	501 C 3	7,500.				TO ADVOCATE FOR SUST
(6)	LAVA LAKE INSTITUTE P.O. BOX 2249 HAILEY, ID 83333	90-1322172	501 C 3	15,600.				CONTRIBUTION FOR PRO
(7)	MCINTOSH CNTY SUSTAINABLE ENVIRON. & ECONOM P.O. BOX 2355 DARIEN, GA 31305	58-2556194	501 C 3	10,000.				TO ADVOCATE FOR SUST
(8)	MICHIGAN INTERNATIONAL SPEEDWAY 12626 U.S. 12 BROOKLYN, MI 49230	38-2017433	501 C 3	88,250.				2010 SPONSORSHIP OF
(9)	MINNESOTA LAND TRUST 2356 UNIVERSITY AVENUE, SUITE 240	41-1713652	501 C 3	6,138.				GRANT TO ASSIST IN A
(10)	MISSISSIPPI VALLEY CONSERVANCY 205 5TH AVENUE, SUITE 511	39-1871201	501 C 3	7,350.				GRANT TO ASSIST IN A
(11)	MOBILIZE.ORG 1875 K STREET NW, SUITE 5	33-1030837	501 C 3	10,000.				SPONSORSHIP OF OUTDO
(12)	NATIONAL GEOGRAPHIC SOCIETY P.O. BOX 630374 BALTIMORE, MD 21263-0374	53-0193519	501 C 3	7,800.				CONTRIBUTION FOR INT

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

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

Schedule I (Form 990) (2010)

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

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

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

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Employer identification number

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
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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)	NC COALITION OF FARM AND RURAL FAMILIES 1820 NC HIGHWAY 11 SOUTH	58-1788656	501 C 3	7,000.				TO ADVOCATE FOR SUST
(2)	NC FOLKLIFE INSTITUTE 2726 CROSDALE DRIVE, SUITE 203-B	23-7419292	501 C 3	10,000.				TO ADVOCATE FOR SUST
(3)	NC ZOOLOGICAL SOCIETY 4963 HIGHWAY 258	56-0990900	501 C 3	9,000.				TO ADVOCATE FOR SUST
(4)	NUSHAGAK-MULCHATNA /WOOD-TIKCHIK LAND TRUST P.O. BOX 1388 DILLINGHAM, AK 99576-1394	31-1721762	501 C 3	10,000.				CONTRIBUTION FOR ACO
(5)	ROANOKE RIVER PARTNERS INC. P.O. BOX 4488 WINDSOR, NC 27983-0448	31-1486075	501 C 3	20,000.				TO ADVOCATE FOR SUST
(6)	SANDHILLS FAMILY HERITAGE ASSOCIATION P.O. BOX 404 SPRINGLAKE, NC 28390-0404	56-2243711	501 C 3	20,000.				TO ADVOCATE FOR SUST
(7)	SCOTLAND NECK EDUCATION AND RECREATION FOUN P.O. BOX 313 SCOTLAND NECK, NC 27874-0313	52-2004891	501 C 3	6,500.				TO ADVOCATE FOR SUST
(8)	SEEDS 706 GILBERT STREET DURHAM, NC 27701	56-1876445	501 C 3	8,000.				TO ADVOCATE FOR SUST
(9)	SHILOH COMMUNITY ASSOCIATION P.O. BOX 5253 ASHEVILLE, NC 28813-5253	56-2502192	501 C 3	8,500.				TO ADVOCATE FOR SUST
(10)	SMOKY MOUNTAIN NATIVE PLANTS ASSOCIATION P.O. BOX 761 ROBBINSVILLE, NC 28771-0761	14-1837747	501 C 3	8,500.				TO ADVOCATE FOR SUST
(11)	SPAULDING MONROE ALUMNI ASSOCIATION P.O. BOX 127 BLADENBORO, NC 28320-0127	26-1172389	501 C 3	20,000.				TO ADVOCATE FOR SUST
(12)	STECOAH VALLEY ARTS, CRAFTS AND EDUCATION C 121 SCHOOLHOUSE ROAD	56-1935344	501 C 3	20,000.				TO ADVOCATE FOR SUST

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

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

Schedule I (Form 990) (2010)

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

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

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

OMB No. 1545-0047

2010

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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
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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

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)	STONE CIRCLES AT STONE HOUSE 6602 NICKS ROAD MEBANE, NC 27302	56-2122586	501 C 3	12,500.				TO ADVOCATE FOR SUST
(2)	STUDENT ACTION WITH FARMWORKERS 1317 WEST PETTIGREW STREET DURHAM, NC 27705	56-1789014	501 C 3	10,000.				TO ADVOCATE FOR SUST
(3)	THE OUTDOOR FOUNDATION 4909 PEARLS EAST CIRCLE, SUITE 200	84-1549065	501 C 3	25,000.				GRANT TO SUPPORT OUT
(4)	TODD COMMUNITY PRESERVATION ORGANIZATION IN P.O. BOX 234 TODD, NC 28684-0234	56-2181403	501 C 3	7,000.				TO ADVOCATE FOR SUST
(5)	TOXIC FREE NC 206 NEW BERN PLACE RALEIGH, NC 27601	59-1715833	501 C 3	9,000.				TO ADVOCATE FOR SUST
(6)	TREES NC INC 847 CURRY DRIVE, SUITE 103	20-2192115	501 C 3	10,000.				TO ADVOCATE FOR SUST
(7)	US ENDOWMENT FOR FORESTRY AND COMMUNITIES P.O. BOX 2364 GREENVILLE, SC 29602	20-5583324	501 C 3	12,500.				FUNDING TO SUPPORT W
(8)	US FISH & WILDLIFE SERVICE P.O. BOX 272065 DENVER, CO 80227-9060	53-0201504	501 C 3	12,840.				FOR INDIVIDUALS TO P
(9)	WEST ATLANTA WATERSHED ALLIANCE P.O. BOX 50043 ATLANTA, GA 30302	20-0890449	501 C 3	25,000.				GRANT TO SUPPORT GRE
(10)	WESTERN CAROLINA UNIVERSITY 150 CAMP BUILDING, WCU CULLOWHEE, NC 28723	56-6001440	501 C 3	6,000.				TO ADVOCATE FOR SUST
(11)	WILDLIFE FOREVER 2700 FREEWAY BLVD. SUITE 1000	36-3566121	501 C 3	10,000.				ANNUAL SERVICE MARK
(12)	WYOMING STOCK GROWERS AGRICULTURAL LAND TRU 113 EAST 20TH STREET CHEYENNE, WY 82001	83-6047954	501 C 3	30,000.				FUNDING TO PROTECT C

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

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

Schedule I (Form 990) (2010)

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

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

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

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Employer identification number

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

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	YADKIN-PEE DEE LAKES PROJECT P.O. BOX 159 STAR, NC 27356-0159	56-1830629	501 C 3	7,000.				TO ADVOCATE FOR SUST
(2)	WILDLIFE FOR EVERYONE ENDOWMENT FOUNDATION 341 SCIENCE PARK RD, SUITE 103	20-1434680	501 C 3	33,500.				TO ASSIST IN ACQUI
(3)	THE NATURE CONSERVANCY 6375 RIVERSIDE DRIVE, SUITE 100	53-0242652	501 C 3	3,350,000.				TO ASSIST IN ACQUI
(4)	GEORGIA DEPARTMENT OF NATURAL RESOURCES 2 MARTIN LUTHER KING, JR. DR, S.E., SUITE 1	58-1130945	N/A	100,000.				TO ASSIST IN ACQUI
(5)	THE HIGHLANDS NATURE SANCTUARY 7629 CAVE ROAD BAINBRIDGE, OH 45612	31-1434730	501 C 3	116,839.				TO ASSIST IN ACQUI
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								

2 Enter total number of section 501(c)(3) and government organizations 73.

3 Enter total number of other organizations 6.

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

Schedule I (Form 990) (2010)

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

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

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

MONITORING OF GRANT FUNDS

SCHEDULE I, PART I, LINE 2

THE CONSERVATION FUND MONITORS GRANTS GIVEN BY REQUIRING REPORTS FROM THE GRANTEE. AFTER IT IS DETERMINED THAT THE POTENTIAL GRANTEE'S MISSION IS COMPATIBLE WITH THAT OF THE FUND, THE FUND AWARDS THE GRANT THROUGH A PARTICULAR PROJECT MANAGER. SUBSEQUENT TO THE GRANT AWARD, THE PROJECT MANAGER PERIODICALLY - USUALLY EVERY QUARTER - RECEIVES AND REVIEWS A PROGRAM REPORT FROM THE GRANT RECIPIENT UNTIL THE GRANT IS FULLY EXPENDED.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization THE CONSERVATION FUND A NONPROFIT CORPORATION

Employer identification number 52-1388917

Part I Questions Regarding Compensation

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

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

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

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

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

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

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

- a** Receive a severance payment or change-of-control payment from the organization or a related organization? **4a** Yes No
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b** Yes No
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c** Yes No
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

- a** The organization? **5a** Yes No
- b** Any related organization? **5b** Yes No
- If "Yes" to line 5a or 5b, describe in Part III.

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

- a** The organization? **6a** Yes No
- b** Any related organization? **6b** Yes No
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III **7** Yes No

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III **8** Yes No

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9** Yes No

	Yes	No
1a		
1b		
2		
3		
4a		<input checked="" type="checkbox"/>
4b	<input checked="" type="checkbox"/>	
4c		<input checked="" type="checkbox"/>
5a		<input checked="" type="checkbox"/>
5b		<input checked="" type="checkbox"/>
6a		<input checked="" type="checkbox"/>
6b		<input checked="" type="checkbox"/>
7	<input checked="" type="checkbox"/>	
8		<input checked="" type="checkbox"/>
9		<input checked="" type="checkbox"/>

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

Schedule J (Form 990) 2010

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

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 LAWRENCE A SELZER	(i)	276,713.	113,000.	202,800.	13,617.	606,130.	113,000.
	(ii)	0.	0.	0.	0.	0.	0.
2 DAVID K PHILLIPS JR	(i)	168,787.	47,600.	71,410.	9,417.	297,214.	47,600.
	(ii)	0.	0.	0.	0.	0.	0.
3 SYDNEY S MACY	(i)	171,987.	21,900.	53,870.	12,417.	260,174.	21,900.
	(ii)	0.	0.	0.	0.	0.	0.
4 RICHARD L ERDMANN	(i)	206,377.	242,154.	142,200.	11,417.	602,148.	91,600.
	(ii)	0.	0.	0.	0.	0.	0.
5 JOSEPH A HANKINS	(i)	133,435.	9,200.	37,420.	10,317.	190,372.	9,200.
	(ii)	0.	0.	0.	0.	0.	0.
6 REX R BONER	(i)	142,533.	17,000.	36,680.	0.	196,213.	17,000.
	(ii)	0.	0.	0.	0.	0.	0.
7 MARK W ELSBREE	(i)	122,192.	21,300.	42,670.	15,417.	201,579.	21,300.
	(ii)	0.	0.	0.	0.	0.	0.
8 ERIK J MEYERS	(i)	146,919.	18,600.	35,170.	6,142.	206,831.	18,600.
	(ii)	0.	0.	0.	0.	0.	0.
9 JODI R O'DAY	(i)	146,791.	35,800.	48,363.	9,813.	240,767.	35,800.
	(ii)	0.	0.	0.	0.	0.	0.
10 MATTHEW S SEXTON	(i)	121,726.	19,100.	40,850.	9,837.	191,513.	19,100.
	(ii)	0.	0.	0.	0.	0.	0.
11 PAUL F HURT	(i)	147,787.	29,100.	47,870.	9,417.	234,174.	29,100.
	(ii)	0.	0.	0.	0.	0.	0.
12 DANIEL SAKURA	(i)	120,500.	33,800.	45,554.	16,059.	215,913.	33,800.
	(ii)	0.	0.	0.	0.	0.	0.
13 KATHRYN BROWN	(i)	116,821.	14,800.	30,300.	500.	162,421.	14,800.
	(ii)	0.	0.	0.	0.	0.	0.
14 EVAN H. SMITH	(i)	96,021.	15,500.	34,420.	5,040.	150,981.	15,500.
	(ii)	0.	0.	0.	0.	0.	0.
15 BLAINE T. PHILLIPS, JR.	(i)	114,550.	42,970.	37,190.	11,217.	205,927.	32,200.
	(ii)	0.	0.	0.	0.	0.	0.
16 GLENN ELISON	(i)	153,523.	11,900.	26,980.	7,642.	200,045.	11,900.
	(ii)	0.	0.	0.	0.	0.	0.

Schedule J (Form 990) 2010

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

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 PATRICK NOONAN	(i)	133,820.	14,000.	25,370.	9,417.	182,607.	14,000.
	(ii)	0.	0.	0.		0.	
2 CHRIS KELLY	(i)	129,132.	20,000.	37,010.	9,417.	195,559.	20,000.
	(ii)	0.	0.	0.		0.	
3 STEVEN SUMMERFELT	(i)	118,872.	15,000.	35,270.	9,742.	178,884.	15,000.
	(ii)	0.	0.	0.		0.	
4 RICHARD LUDINGTON	(i)	174,523.	16,800.	36,350.	6,142.	233,815.	16,800.
	(ii)	0.	0.	0.		0.	
5	(i)						
	(ii)						
6	(i)						
	(ii)						
7	(i)						
	(ii)						
8	(i)						
	(ii)						
9	(i)						
	(ii)						
10	(i)						
	(ii)						
11	(i)						
	(ii)						
12	(i)						
	(ii)						
13	(i)						
	(ii)						
14	(i)						
	(ii)						
15	(i)						
	(ii)						
16	(i)						
	(ii)						

Part III Supplemental Information

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

COMPENSATION - BONUS & 403B

SCHEDULE J, PART 1, LINE 7 & FORM 990, PART VII, SECTION A

2009 BONUS PAID IN 2010 IS LISTED IN COLUMN "OTHER COMPENSATION" AND COLUMN "PRIOR YEAR AMOUNTS". 2010 BONUS PAID IN 2011 IS LISTED IN COLUMN "DEFERRED COMPENSATION". 2010 EMPLOYER PAID 403B CONTRIBUTION IS ALSO LISTED IN COLUMN "DEFERRED COMPENSATION". ALL EMPLOYEES, INCLUDING OFFICERS AND KEY EMPLOYEES, ARE ELIGIBLE FOR BONUSES THAT ARE PAID ANNUALLY IN THE MONTH OF FEBRUARY OF THE FOLLOWING YEAR. THE BONUS AMOUNT FOR OFFICERS IS APPROVED BY THE GOVERNANCE COMMITTEE AND IS BASED ON BOTH INDIVIDUAL PERFORMANCE AND THE OVERALL PERFORMANCE OF THE ORGANIZATION.

NONQUALIFIED RETIREMENT PLAN

SCHEDULE J, PART I, LINE 4B

THE FUND MAINTAINS A NONQUALIFIED PLAN UNDER WHICH THE ORGANIZATION IS ACCRUING \$25,000 PER YEAR, FOR FIVE YEARS, TO BE PAID TO AN EXECUTIVE OF THE ORGANIZATION. THE AMOUNTS ARE FORFEITABLE, AND TO BE ELIGIBLE TO RECEIVE THE COMPENSATION THE EXECUTIVE MUST REMAIN EMPLOYED WITH THE FUND FOR SPECIFIC TIME PERIODS. NO PAYMENTS HAVE BEEN MADE TO DATE UNDER THE

Part III Supplemental Information

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

PLAN.

SCHEDULE L
(Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No. 1545-0047

2010

Open To Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

Name of the organization **THE CONSERVATION FUND A NONPROFIT CORPORATION**

Employer identification number
52-1388917

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										

Total ▶ \$ _____

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

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

Schedule L (Form 990 or 990-EZ) 2010

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) SYDNEY MACY	SENIOR VICE PRESIDENT	126,161.	MARRIED TO CONSULTANT OF TCF		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
▶ **Attach to Form 990.**

OMB No. 1545-0047

2010

Open To Public Inspection

Name of the organization **THE CONSERVATION FUND A NONPROFIT CORPORATION**

Employer identification number
52-1388917

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	24.	568,665.	SALE PRICE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests	X	1.	1,269,000.	VALUATION
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other	X	42.	11,122,472.	APPRAISAL
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶(_____)				
26 Other ▶(_____)				
27 Other ▶(_____)				
28 Other ▶(_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29** 10.

	Yes	No
30 a During the year, did the organization receive by contribution any property reported in Part I, line 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	X	
32 a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

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

Schedule M (Form 990) (2010)

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Name of the organization
CORPORATION

THE CONSERVATION FUND A NONPROFIT

Employer identification number
52-1388917

AVAILABILITY OF STATEMENTS TO THE PUBLIC

FORM 990, PART VI, SECTION C, LINE 19

THE CONSERVATION FUND'S ANNUAL REPORT, WHICH INCLUDES FINANCIAL SUMMARIES, IS POSTED ON THEIR WEBSITE. GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND AUDITED FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST.

REVIEW OF FORM 990

FORM 990, PART VI, SECTION B, LINE 11B

THE INDEPENDENT AUDITING FIRM ENGAGED TO CONDUCT AN ANNUAL AUDIT OF THE FINANCIAL STATEMENTS AND POSITION OF THE THE CONSERVATION FUND (TCF) IS ENGAGED TO ASSIST IN THE PREPARATION OF THE FORM 990. THE CHIEF FINANCIAL OFFICER AND HIS STAFF DIRECTLY PARTICIPATE IN THE PREPARATION OF THE FORM, DRAFTING RESPONSES TO QUESTIONS AND REVIEWING THE FORM 990 IN DRAFT. COUNSEL REVIEWS THE FULL DRAFT REPORT. A DRAFT OF THE 990 IS ALSO SHOWN TO SELECTED BOARD MEMBERS FOR COMMENTS AND QUESTIONS. SUBSEQUENT TO THE REVIEW AND REVISION PROCESS, THE FORM 990 IS FINALIZED AND FILED WITH THE IRS. COPIES OF THE FORM ARE PROVIDED TO THE FULL BOARD DURING THE SUBSEQUENT BOARD MEETING AND THEN MADE AVAILABLE FOR PUBLIC INSPECTION.

COMPENSATION POLICIES

FORM 990, PART IV, SECTION B, LINE 15

TCF USES AN OUTSIDE THIRD PARTY COMPENSATION STUDY TO EVALUATE

Name of the organization CORPORATION	THE CONSERVATION FUND A NONPROFIT CORPORATION	Employer identification number 52-1388917
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COMPENSATION LEVELS FOR ITS PRESIDENT AND KEY OFFICIALS. TCF'S GOVERNANCE COMMITTEE APPROVES COMPENSATION AMOUNTS FOR THE PRESIDENT AND KEY OFFICIALS.

ENFORCEMENT OF CONFLICT OF INTEREST

FORM 990, PART VI, SECTION B, LINE 12C

CONFLICT POLICY COPIES ARE PROVIDED TO EACH DIRECTOR AND OFFICER AT A REGULAR BOARD MEETING EACH YEAR, TYPICALLY AT THE FIRST MEETING OF THE YEAR. EACH SUCH PERSON MUST SIGN TO INDICATE HE/SHE HAS READ THE POLICY AND UNDERSTANDS HIS/HER DUTIES UNDER IT.

ATTACHMENT 1

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

THE PURPOSES OF THE ORGANIZATION ARE TO FURTHER THE UNDERSTANDING AND APPRECIATION OF MANKIND'S RELATIONSHIP TO THE NATURAL WORLD WITH AN EMPHASIS ON MEANS OF CONSERVING RESOURCES. THE FUND ENDEAVORS TO PROTECT IMPORTANT LANDSCAPES HAVING SIGNIFICANT NATURAL, HISTORIC OR OPEN SPACE VALUES. THE FUND EXPLORES CREATIVE TECHNIQUES TO FURTHER THIS OBJECTIVE AND ENSURE THAT THESE AREAS ARE PROTECTED IN ACCORDANCE WITH LOCAL LAND USE PLANS AND STATE OR NATIONAL LAND USE POLICIES. THE FUND ALSO UNDERTAKES DEMONSTRATION PROJECTS TO INTEGRATE LOCAL COMMUNITY LAND USE PLANNING WITH ECONOMIC DEVELOPMENT EFFORTS. ALL PROGRAM SERVICE EXPENSES ARE INCURRED IN FURTHERANCE OF THESE GOALS.

Name of the organization CORPORATION	THE CONSERVATION FUND A NONPROFIT	Employer identification number 52-1388917
---	-----------------------------------	--

ATTACHMENT 2

FORM 990, PART VI, LINE 17 - STATES

AL, AK, AZ, AR, CA, CT,

DC, FL, GA, IL, KS, KY, ME, MD, MA, MI,

MN, MS, MO, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA,

RI, SC, TN, UT, VA, WA, WV, WI,

ATTACHMENT 3

PART VII - CONTINUATION OF OFFICERS, DIRECTORS, TRUSTEES,
KEY EMPLOYEES AND HIGHEST COMPENSATED EMPLOYEES

(1)=IND.TRUSTEE/DIR. (2)=INS.TRUSTEE (3)=OFFICER (4)=KEY EMP. (5)=HIGHEST COMP. (6)=FORMER

(A) NAME AND TITLE	(B) HOURS	(C) POSITION						COMPENSATION FROM		
		(1)	(2)	(3)	(4)	(5)	(6)	(D) ORG.	(E) REL. ORG.	(F) OTHER
29 MATTHEW S SEXTON VICE PRESIDENT	37.50			X				140,826.	0.	50,687.
30 PAUL F HURT ASST SECRETARY & DEPUTY GC	37.50			X				176,887.	0.	57,287.
31 DANIEL SAKURA VICE PRESIDENT	37.50			X				154,300.	0.	61,613.
32 KATHRYN BROWN VICE PRESIDENT	37.50			X				131,621.	0.	30,800.
33 MARGARET A MCCANTS SECRETARY/REAL ESTATE MANAGER	37.50			X				87,768.	0.	29,132.
34 ELIZABETH ENGLE ASST. SECRETARY/ASSOC. COUNSEL	37.50			X				117,511.	0.	29,808.
35 EVAN H. SMITH VICE PRESIDENT	37.50			X				111,521.	0.	39,460.
36 MICHELE J. SAGER VICE PRESIDENT	37.50			X				105,968.	0.	39,732.
37 BLAINE T. PHILLIPS, JR. VICE PRESIDENT	37.50			X				157,520.	0.	48,407.
38 GLENN ELISON ALASKA PROGRAM DIRECTOR	37.50				X			165,423.	0.	34,622.
39 PATRICK NOONAN CHAIRMAN EMERITUS	37.50				X			147,820.	0.	34,787.
40 CHRIS KELLY CALIFORNIA PROGRAM DIRECTOR	37.50				X			149,132.	0.	46,427.
41 STEVEN SUMMERFELT DIRECTOR OF AQUACULTURE RESRCH	37.50				X			133,872.	0.	45,012.
42 RICHARD LUDINGTON SR. ASSOCIATE, NC STATE OFFICE	37.50				X			191,323.	0.	42,492.

Name of the organization CORPORATION	THE CONSERVATION FUND A NONPROFIT	Employer identification number 52-1388917
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ATTACHMENT 4

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

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
ALLAN C. BEEZLEY P.C. 1928 14TH ST, #300 BOULDER, CO 80302	LEGAL COUNSEL	208,279.
CBIZ ATA OF BETHESDA, LLC 3 BETHESDA METRO CENTER, SUITE 600 BETHESDA, MD 20814	AUDITING	146,930.
MICHAEL R. FORD 7753 SPANISH LAKE DRIVE LAS VEGAS, NV 89113	CONTRACTUAL	139,717.
INVERNESS ENTERPRISES INC. (THOMAS MACY) 3367 SUNSHINE CANYON DRIVE BOULDER, CO 80302	CONTRACTUAL	126,161.
TOTAL COMPENSATION		<u>621,087.</u>

ATTACHMENT 5

FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) <u>TOTAL REVENUE</u>	(B) <u>RELATED OR EXEMPT REVENUE</u>	(C) <u>UNRELATED BUSINESS REV.</u>	(D) <u>EXCLUDED REVENUE</u>
INTEREST INCOME	359,079.			359,079.
TOTALS	<u>359,079.</u>			<u>359,079.</u>

ATTACHMENT 6

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>COST OR FMV</u>
US GOVT AGENCY INSTRUMENTS	5,256,887.	FMV
TOTALS	<u>5,256,887.</u>	

Name of the organization THE CONSERVATION FUND A NONPROFIT CORPORATION	Employer identification number 52-1388917
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ATTACHMENT 7

FORM 990, PART X - SECURED MORTGAGES AND NOTES PAYABLE

LENDER: KEITH CAMPBELL FOUNDATION
 ORIGINAL AMOUNT: 5,000,000.
 INTEREST RATE: 2.000000
 DATE OF NOTE: 11/09/2004
 MATURITY DATE: 12/31/2014
 REPAYMENT TERMS: DUE AT MATURITY, WITH ANNUAL INTEREST PAYMENTS
 SECURITY PROVIDED: NONE
 PURPOSE OF LOAN: TO ACQUIRE CONSERVATION PROPERTY
 DESCRIPTION AND FMV: NONE
 OF CONSIDERATION:

BEGINNING BALANCE DUE	1,000,000.
ENDING BALANCE DUE	<u>1,000,000.</u>

LENDER: STATE WATER RESOURCES CONTROL BOARD
 ORIGINAL AMOUNT: 25,000,000.
 INTEREST RATE: 2.300000
 DATE OF NOTE: 10/24/2006
 MATURITY DATE: 10/24/2026
 REPAYMENT TERMS: ANNUAL PAYMENTS OVER A 20 YR PERIOD
 SECURITY PROVIDED: DEED OF TRUST
 PURPOSE OF LOAN: TO ACQUIRE CONSERVATION PROPERTY
 DESCRIPTION AND FMV: CASH
 OF CONSIDERATION:

BEGINNING BALANCE DUE	21,935,155.
ENDING BALANCE DUE	<u>20,861,715.</u>

Name of the organization THE CONSERVATION FUND A NONPROFIT CORPORATION	Employer identification number 52-1388917
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ATTACHMENT 7 (CONT'D)

LENDER: LOUIS A BIBLER FAMILY TRUST
 ORIGINAL AMOUNT: 2,000,000.
 INTEREST RATE: 5.000000
 DATE OF NOTE: 09/20/2007
 MATURITY DATE: 09/20/2012
 REPAYMENT TERMS: DUE AT MATURITY
 SECURITY PROVIDED: DEED OF TRUST
 PURPOSE OF LOAN: TO ACQUIRE CONSERVATION PROPERTY
 DESCRIPTION AND FMV CASH
 OF CONSIDERATION:

BEGINNING BALANCE DUE	2,000,000.
ENDING BALANCE DUE	<u>1,718,246.</u>

LENDER: DAVID AND LUCILLE PACKARD FOUNDATION
 ORIGINAL AMOUNT: 5,000,000.
 INTEREST RATE: 2.000000
 DATE OF NOTE: 11/21/2006
 MATURITY DATE: 11/21/2011
 REPAYMENT TERMS: ANNUALLY
 SECURITY PROVIDED: NONE
 PURPOSE OF LOAN: TO ACQUIRE CONSERVATION PROPERTY
 DESCRIPTION AND FMV CASH
 OF CONSIDERATION:

BEGINNING BALANCE DUE	4,000,000.
ENDING BALANCE DUE	<u>2,500,000.</u>

Name of the organization THE CONSERVATION FUND A NONPROFIT CORPORATION	Employer identification number 52-1388917
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ATTACHMENT 7 (CONT'D)

LENDER: NEW FORESTRY LLC
 ORIGINAL AMOUNT: 5,000,000.
 INTEREST RATE: 2.000000
 DATE OF NOTE: 12/12/2008
 MATURITY DATE: 12/12/2011
 REPAYMENT TERMS: DUE AT MATURITY
 SECURITY PROVIDED: NONE
 PURPOSE OF LOAN: TO ACQUIRE CONSERVATION PROPERTY
 DESCRIPTION AND FMV CASH
 OF CONSIDERATION:

BEGINNING BALANCE DUE	4,900,000.
ENDING BALANCE DUE	<u>4,800,000.</u>

LENDER: KEITH BROWN/SUN FOREST SYSTEMS
 ORIGINAL AMOUNT: 4,665,800.
 DATE OF NOTE: 07/29/2009
 MATURITY DATE: 12/31/2011
 REPAYMENT TERMS: DUE AT MATURITY
 SECURITY PROVIDED: NONE
 PURPOSE OF LOAN: TO ACQUIRE CONSERVATION PROPERTY
 DESCRIPTION AND FMV CASH
 OF CONSIDERATION:

BEGINNING BALANCE DUE	4,580,085.
ENDING BALANCE DUE	<u>4,580,085.</u>

Name of the organization THE CONSERVATION FUND A NONPROFIT CORPORATION	Employer identification number 52-1388917
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ATTACHMENT 7 (CONT'D)

LENDER: HEADWATERS
 ORIGINAL AMOUNT: 1,500,000.
 DATE OF NOTE: 12/21/2010
 MATURITY DATE: 12/21/2013
 REPAYMENT TERMS: DUE AT MATURITY
 SECURITY PROVIDED: NONE
 PURPOSE OF LOAN: TO ACQUIRE CONSERVATION PROPERTY
 DESCRIPTION AND FMV CASH
 OF CONSIDERATION:

BEGINNING BALANCE DUE	0.
ENDING BALANCE DUE	<u>1,500,000.</u>
TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE	<u>38,415,240.</u>
TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE	<u>36,960,046.</u>

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

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 33, 34, 35, 36, or 37.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

Name of the organization THE CONSERVATION FUND A NONPROFIT CORPORATION

Employer identification number
52-1388917

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) -----					
(2) -----					
(3) -----					
(4) -----					
(5) -----					
(6) -----					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) NATURAL CAPITAL INVESTMENT FUND 54-2058754 1655 N FORT MYER DR, SUITE 130 ARLINGTON, VA 22209	CDFI	MD	501 (C) 3	11	N/A		X
(2) SUSTAINABLE CONSERVATION INC. 62-1586798 1655 N. FORT MYER DRIVE, SUITE ARLINGTON, VA 22209	CONSERVATION	MD	501 (C) 3	11	N/A		X
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							

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

Schedule R (Form 990) 2010

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) -----												
(2) -----												
(3) -----												
(4) -----												
(5) -----												
(6) -----												
(7) -----												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) -----							
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to other organization(s)	X	
c Gift, grant, or capital contribution from other organization(s)		X
d Loans or loan guarantees to or for other organization(s)	X	
e Loans or loan guarantees by other organization(s)		X
f Sale of assets to other organization(s)		X
g Purchase of assets from other organization(s)		X
h Exchange of assets		X
i Lease of facilities, equipment, or other assets to other organization(s)		X
j Lease of facilities, equipment, or other assets from other organization(s)		X
k Performance of services or membership or fundraising solicitations for other organization(s)		X
l Performance of services or membership or fundraising solicitations by other organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets		X
n Sharing of paid employees	X	
o Reimbursement paid to other organization for expenses		X
p Reimbursement paid by other organization for expenses	X	
q Other transfer of cash or property to other organization(s)		X
r Other transfer of cash or property from other organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) NATURAL CAPITAL INVESTMENT FUND	1N & 1P	460,000.	AMOUNT ACCRUED
(2) SUSTAINABLE CONSERVATION INC	1D	1,598,639.	AMOUNT REPAID
(3)			
(4)			
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No
(1) -----										
(2) -----										
(3) -----										
(4) -----										
(5) -----										
(6) -----										
(7) -----										
(8) -----										
(9) -----										
(10) -----										
(11) -----										
(12) -----										
(13) -----										
(14) -----										
(15) -----										
(16) -----										

Part VII **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

Depreciation and Amortization
(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to your tax return.

Attachment
Sequence No. **67**

Name(s) shown on return

Identifying number

THE CONSERVATION FUND A NONPROFIT

52-1388917

Business or activity to which this form relates

GENERAL DEPRECIATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)		1
2	Total cost of section 179 property placed in service (see instructions)		2
3	Threshold cost of section 179 property before reduction in limitation (see instructions)		3
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-		4
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions		5
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7		8
9	Tentative deduction. Enter the smaller of line 5 or line 8		9
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562		10
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)		11
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11		12
13	Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12	▶	13

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)		14
15	Property subject to section 168(f)(1) election		15
16	Other depreciation (including ACRS)		16
			130,031.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2010		17
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	▶	

Section B - Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property					
b	5-year property					
c	7-year property					
d	10-year property					
e	15-year property					
f	20-year property					
g	25-year property		25 yrs.		S/L	
h	Residential rental property		27.5 yrs.	MM	S/L	
i	Nonresidential real property		27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	40-year		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28		21
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions		22
			130,031.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	▶	23

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? 24b If "Yes," is the evidence written? 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) 26 Property used more than 50% in a qualified business use: 27 Property used 50% or less in a qualified business use: 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles) 31 Total commuting miles driven during the year 32 Total other personal (noncommuting) miles driven 33 Total miles driven during the year. Add lines 30 through 32 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use?

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.) Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

42 Amortization of costs that begins during your 2010 tax year (see instructions): 43 Amortization of costs that began before your 2010 tax year 44 Total. Add amounts in column (f). See the instructions for where to report

