



Department of the Treasury  
Internal Revenue Service  
Ogden UT 84201

For assistance, call:  
1-877-829-5500

Notice Number: CP211A  
Date: June 27, 2011

Taxpayer Identification Number:  
56-0861003  
Tax Form: 990  
Tax Period: December 31, 2010

079379.863494.0296.007 1 AB 0.368 375  
[Barcode]



GOODWILL INDUSTRIES OF EASTERN  
NORTH CAROLINA INC  
4808 CHIN PAGE RD  
DURHAM NC 27703-8476088

079379

### APPLICATION FOR EXTENSION OF TIME TO FILE AN EXEMPT ORGANIZATION RETURN - APPROVED

We received and approved your Form 8868, Application for Extension of Time to File an Exempt Organization Return, for the return (form) and tax period identified above. Your extended due date to file your return is **August 15, 2011**.

When it's time to file your Form 990, 990-EZ, 990-PF or 1120-POL, you should consider filing electronically. Electronic filing is the fastest, easiest and most accurate way to file your return. For more information, visit the Charities and Nonprofit web at [www.irs.gov/eo](http://www.irs.gov/eo). This site will provide information about:

- The type of returns that can be filed electronically,
- approved e-File providers, and
- if you are required to file electronically.

If you have any questions, please call us at the number shown above, or you may write us at the address shown at the top of this letter.

## Application for Extension of Time To File an Exempt Organization Return

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

**Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).**

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only

*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

<b>Type or print</b>	Name of exempt organization <b>GOODWILL INDUSTRIES OF EASTERN NC, INC.</b>	Employer identification number <b>56-0861003</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>4808 CHIN PAGE ROAD</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>DURHAM, NC 27703</b>	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ DANIEL A. HAWLEY, TREASURER

Telephone No. ▶ 919 281-9208 FAX No. ▶ 919 941-9606

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 2011, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year 2010 or  
 ▶  tax year beginning \_\_\_\_\_, 20\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_.

2 If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a \$</b>
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b \$</b>
c <b>Balance Due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c \$</b>

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Paperwork Reduction Act Notice, see Instructions.

**Return of Organization Exempt From Income Tax**

**2010**

Open to Public Inspection

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

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

Department of the Treasury  
Internal Revenue Service

**A For the 2010 calendar year, or tax year beginning** , 2010, and ending , 20

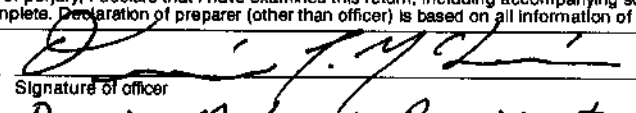
<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>GOODWILL INDUSTRIES OF EASTERN NC, INC.</b> Doing Business As		<b>D</b> Employer identification number <b>56-0861003</b>
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>4808 CHIN PAGE ROAD</b>		<b>E</b> Telephone number ( ) -
	City or town, state or country, and ZIP + 4 <b>DURHAM, NC 27703</b>		<b>G</b> Gross receipts \$ <b>28,991,390.</b>
	<b>F</b> Name and address of principal officer: <b>DENNIS MCLAIN</b> <b>SAME AS C ABOVE</b>		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
<b>I</b> 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			
<b>J</b> Website: <b>WWW.GOODWILLENC.ORG</b>			
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other			
		<b>L</b> Year of formation: <b>1964</b>	<b>M</b> State of legal domicile: <b>NC</b>


**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>TO PROVIDE AND CREATE EDUCATION, EMPLOYMENT, AND LIFE ENRICHMENT OPPORTUNITIES FOR PEOPLE WHO DESIRE TO IMPROVE THE QUALITY OF THEIR LIVES.</b>		
	<b>2</b> Check this box <input checked="" type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>12.</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>10.</b>
	<b>5</b> Total number of individuals employed in calendar year 2010 (Part V, line 2a)	<b>5</b>	<b>619.</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	<b>10.</b>
	<b>7a</b> Total gross unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>		
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b> 26,897,670	<b>Current Year</b> 28,820,328
	<b>9</b> Program service revenue (Part VIII, line 2g)	100,499	91,104
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	96,568	74,455
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	50,415	5,503
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	27,145,152	28,991,390
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	14,956,975	15,941,314
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25)		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	12,548,180	12,438,084
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	27,505,155	28,379,398	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	-360,003	611,992	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	<b>Beginning of Current Year</b> 7,249,383	<b>End of Year</b> 8,194,447
	<b>21</b> Total liabilities (Part X, line 26)	2,870,549	3,203,621
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	4,378,834	4,990,826

**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.

<b>Sign Here</b>	Signature of officer 	Date <b>15-08-11</b>
	Type or print name and title <b>Dennis McLain, President</b>	

<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>RONALD A. BATCHELOR</b>	Preparer's signature 	Date <b>8/11/11</b>	Check if self-employed <input type="checkbox"/>	PTIN <b>P00077863</b>
	Firm's name <b>BATCHELOR, TILLERY &amp; ROBERTS, LLP</b>			Firm's EIN <b>56-1750124</b>	
	Firm's address <b>3605 GLENWOOD AVENUE, SUITE 350 RALEIGH, NC 27612</b>			Phone no. <b>919-787-8212</b>	

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

For Paperwork Reduction Act Notice, see the separate instructions.

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III  Yes  No

**1** Briefly describe the organization's mission:  
TO PROVIDE AND CREATE EDUCATION, EMPLOYMENT, AND LIFE ENRICHMENT OPPORTUNITIES FOR PEOPLE WHO DESIRE TO IMPROVE THE QUALITY OF THEIR LIVES.

**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 \$ 2,007,178. including grants of \$ ) (Revenue \$ 91,104. )  
EDUCATION - GIENC PROVIDED EDUCATION AND TRAINING THROUGH INTERNET CLASSES IN ENTRY LEVEL COMPUTER PROGRAM SKILLS, PROVIDED IN ENGLISH AND SPANISH, WHICH SERVED OVER 717,000 STUDENTS FROM 131 COMMUNITIES IN EASTERN NORTH CAROLINA; AS WELL AS OTHER COMMUNITIES IN THE REMAINDER OF THE UNITED STATES AND GLOBALLY FROM ITS HARGETT STREET FACILITY. GIENC PROVIDED OPPORTUNITIES FOR 64 HIGH SCHOOL STUDENTS WITH DISABILITIES TO EARN HOURS THAT MAY BE APPLIED TOWARDS STATE REQUIREMENTS FOR A HIGH SCHOOL DIPLOMA AT ITS CHIN PAGE ROAD FACILITY.

**4b** (Code: ) (Expenses \$ 15,900,668. including grants of \$ ) (Revenue \$ 0. )  
EMPLOYMENT - GIENC PROVIDED EMPLOYMENT OPPORTUNITIES TO 477 PEOPLE THROUGH ITS 30 RETAIL PROGRAM CENTERS SERVING 16 COUNTIES LOCATED THROUGHOUT EASTERN NORTH CAROLINA IN 2010. PERSONS SERVED THROUGH EMPLOYMENT WERE PROVIDED AN AVERAGE HOURLY WAGE AND BENEFIT OF \$19.67.

**4c** (Code: ) (Expenses \$ 320,414. including grants of \$ ) (Revenue \$ 0. )  
LIFE ENRICHMENT - GIENC PROVIDED AN ENVIRONMENT FOR 72 ADULTS WITH SEVERE DISABILITIES TO ENGAGE IN HORTICULTURAL BASED LIFE ENRICHMENT ACTIVITIES. ALL PRODUCE GROWN WAS DONATED TO A FOOD BANK TOTALING OVER 5,200 POUNDS OF FOOD IN 2010.

**4d** Other program services. (Describe in Schedule O.)  
(Expenses \$ 9,000,000. including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses ▶ 27,228,260.

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1 through 20b regarding organizational requirements for various schedules (A through H).

JSA

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**Part IV Checklist of Required Schedules (continued)**

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Form with questions 1a through 14b regarding IRS filings and tax compliance, including fields for 'Yes' and 'No' and numerical input boxes.

**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

**Section A. Governing Body and Management**

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . . . .		
1a	12		
b	Enter the number of voting members included in line 1a, above, who are independent . . . . .		
1b	10		
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? . . . . .	X	
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? . . . . .		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .		X
6	Does the organization have members or stockholders? . . . . .		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .		X
7b			
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body? . . . . .	X	
8a			
b	Each committee with authority to act on behalf of the governing body? . . . . .	X	
8b			
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 . . . . .		X
9			

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

	Yes	No
10a		X
10a		
b		
10b		
11a	X	
11a		
b		
12a	X	
12a		
b	X	
12b		
c	X	
12c		
13	X	
13		
14	X	
14		
15		
a	X	
15a		
b	X	
15b		
16a		X
16a		
b		
16b		

**Section C. Disclosure**

- 17 List the states with which a copy of this Form 990 is required to be filed ▶
- 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.  
 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: ▶ DANIEL A. HAWLEY, TREASURER 4808 CHIN PAGE ROAD, DURHAM, NC 27703  
 919-281-9208

**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) BRANTLEY TILLMAN CHAIR	VARIES	X		X				0	0	0
(2) NEAL CHEEK VICE-CHAIR	VARIES	X		X				0	0	0
(3) TOM LYON SECRETARY	VARIES	X		X				0	0	0
(4) BART CLEARY	VARIES	X						0	0	0
(5) BOB DUBOSE	VARIES	X						0	0	0
(6) JEFF HAYES	VARIES	X						0	0	0
(7) LINDA MCGILL	VARIES	X						0	0	0
(8) STEPHENIE MCLEAN	VARIES	X						0	0	0
(9) KEITH STEVENS	VARIES	X						0	0	0
(10) DAVID BASS	VARIES	X						0	0	0
(11) DENNIS MCLAIN PRESIDENT	EXEMPT	X		X				227,682	0	166,338
(12) LINDA MCLAIN VICE-PRESIDENT	EXEMPT	X		X				290,851	0	31,820
(13) DANIEL HAWLEY TREASURER	EXEMPT			X				178,668	0	31,858
(14) STEVE SNYDERMAN	EXEMPT					X		182,203	0	24,937
(15) CHRISTOPHER HASH	EXEMPT					X		130,784	0	17,272
(16) PATRICIA PATZIN	EXEMPT					X		100,634	0	20,489



**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	
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b>	Federated campaigns . . . . .	<b>1a</b>					
	<b>b</b>	Membership dues . . . . .	<b>1b</b>					
	<b>c</b>	Fundraising events . . . . .	<b>1c</b>					
	<b>d</b>	Related organizations . . . . .	<b>1d</b>	28,820,328.				
	<b>e</b>	Government grants (contributions) . . . . .	<b>1e</b>					
	<b>f</b>	All other contributions, gifts, grants, and similar amounts not included above . . . . .	<b>1f</b>					
	<b>g</b>	Noncash contributions included in lines 1a-1f: \$ . . . . .		28,820,328.				
	<b>h</b>	<b>Total.</b> Add lines 1a-1f . . . . .		28,820,328.				
<b>Program Service Revenue</b>	<b>2a</b>	EDUCATION	<b>Business Code</b>	611710	91,104.	91,104.		
	<b>b</b>							
	<b>c</b>							
	<b>d</b>							
	<b>e</b>							
	<b>f</b>	All other program service revenue . . . . .						
	<b>g</b>	<b>Total.</b> Add lines 2a-2f . . . . .			91,104.			
<b>Other Revenue</b>	<b>3</b>	Investment income (including dividends, interest, and other similar amounts) . . . . .			74,455.		74,455.	
	<b>4</b>	Income from investment of tax-exempt bond proceeds . . . . .			0.			
	<b>5</b>	Royalties . . . . .			0.			
	<b>6a</b>	Gross Rents . . . . .	(i) Real	(ii) Personal				
	<b>b</b>	Less: rental expenses . . . . .						
	<b>c</b>	Rental income or (loss) . . . . .						
	<b>d</b>	Net rental income or (loss) . . . . .				0.		
	<b>7a</b>	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	<b>b</b>	Less: cost or other basis and sales expenses . . . . .						
<b>c</b>	Gain or (loss) . . . . .							
<b>d</b>	Net gain or (loss) . . . . .				0.			
<b>8a</b>	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 . . . . .	<b>a</b>						
		<b>b</b>	Less: direct expenses . . . . .					
		<b>c</b>	Net income or (loss) from fundraising events . . . . .				0.	
<b>9a</b>	Gross income from gaming activities. See Part IV, line 19 . . . . .	<b>a</b>						
		<b>b</b>	Less: direct expenses . . . . .					
		<b>c</b>	Net income or (loss) from gaming activities . . . . .				0.	
<b>10a</b>	Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>						
		<b>b</b>	Less: cost of goods sold . . . . .					
		<b>c</b>	Net income or (loss) from sales of inventory . . . . .				0.	
<b>Miscellaneous Revenue</b>		<b>Business Code</b>						
<b>11a</b>	MISCELLANEOUS	900099		5,503.	5,503.			
<b>b</b>								
<b>c</b>								
<b>d</b>	All other revenue . . . . .							
<b>e</b>	<b>Total.</b> Add lines 11a-11d . . . . .				5,503.			
<b>12</b>	<b>Total revenue.</b> See instructions . . . . .				28,991,390.	96,607.	74,455.	

**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).

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	(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 . . . . .	0.			
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 . . . . .	927,217.	606,366.	320,851.	
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 . . . . .	11,085,516.	10,575,848.	502,751.	6,917.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	535,259.	508,960.	25,731.	568.
9 Other employee benefits . . . . .	2,162,821.	2,129,194.	33,172.	455.
10 Payroll taxes . . . . .	1,230,501.	1,159,617.	70,237.	647.
11 Fees for services (non-employees):				
a Management . . . . .	0.			
b Legal . . . . .	60,711.	8,880.	51,831.	
c Accounting . . . . .	27,100.		27,100.	
d Lobbying . . . . .	0.			
e Professional fundraising services. See Part IV, line 17 . . . . .	0.			
f Investment management fees . . . . .	0.			
g Other . . . . .	135,814.	85,561.	50,253.	
12 Advertising and promotion . . . . .	0.			
13 Office expenses . . . . .	701,225.	631,910.	69,315.	
14 Information technology . . . . .	0.			
15 Royalties . . . . .	0.			
16 Occupancy . . . . .	2,189,283.	2,158,410.	30,873.	
17 Travel . . . . .	520,111.	497,172.	22,939.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0.			
19 Conferences, conventions, and meetings . . . . .	19,776.	9,985.	9,791.	
20 Interest . . . . .	0.			
21 Payments to affiliates . . . . .	154,517.	152,005.	2,512.	
22 Depreciation, depletion, and amortization . . . . .	403,307.	307,038.	96,269.	
23 Insurance . . . . .	117,492.	112,211.	5,281.	
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 OTHER . . . . .	171,056.	73,438.	97,618.	
b MANAGEMENT FEES - FSN . . . . .	-255,153.	-255,153.		
c REIMBURSED EXPENSES . . . . .	-807,155.	-533,182.	-265,386.	-8,587.
d TRANSFER OF CASH TO REL ORG . . . . .	9,000,000.	9,000,000.		
e . . . . .				
f All other expenses . . . . .				
<b>25 Total functional expenses.</b> Add lines 1 through 24f	<b>28,379,398.</b>	<b>27,228,260.</b>	<b>1,151,138.</b>	
26 <b>Joint Costs.</b> 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	
<b>Assets</b>	1	Cash - non-interest-bearing . . . . .	450,775.	1	43,059.
	2	Savings and temporary cash investments . . . . .	1,448,517.	2	2,432,776.
	3	Pledges and grants receivable, net . . . . .		3	
	4	Accounts receivable, net . . . . .	333,493.	4	533,563.
	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 . . . . .	2,793,006.	8	2,993,202.
	9	Prepaid expenses and deferred charges . . . . .	127,653.	9	104,534.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 4,636,809.		
	10b	Less: accumulated depreciation . . . . .	10b 3,354,976.		
			1,442,931.	10c	1,281,833.
	11	Investments - publicly traded securities . . . . .		11	
	12	Investments - other securities. See Part IV, line 11 . . . . .		12	
	13	Investments - program-related. See Part IV, line 11 . . . . .		13	
	14	Intangible assets . . . . .		14	
15	Other assets. See Part IV, line 11 . . . . .	653,008.	15	805,480.	
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	7,249,383.	16	8,194,447.	
<b>Liabilities</b>	17	Accounts payable and accrued expenses . . . . .	1,307,422.	17	1,399,637.
	18	Grants payable . . . . .		18	
	19	Deferred revenue . . . . .		19	
	20	Tax-exempt bond liabilities . . . . .		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		22	
	23	Secured mortgages and notes payable to unrelated third parties . . . . .		23	
	24	Unsecured notes and loans payable to unrelated third parties . . . . .		24	
	25	Other liabilities. Complete Part X of Schedule D . . . . .	1,563,127.	25	1,803,984.
	26	<b>Total liabilities.</b> Add lines 17 through 25 . . . . .	2,870,549.	26	3,203,621.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>				
	27	Unrestricted net assets . . . . .	4,378,834.	27	4,990,826.
	28	Temporarily restricted net assets . . . . .		28	
	29	Permanently restricted net assets . . . . .		29	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>				
	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	<b>Total net assets or fund balances</b> . . . . .	4,378,834.	33	4,990,826.	
34	<b>Total liabilities and net assets/fund balances</b> . . . . .	7,249,383.	34	8,194,447.	

**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	28,991,390.
2	Total expenses (must equal Part IX, column (A), line 25) . . . . .	2	28,379,398.
3	Revenue less expenses. Subtract line 2 from line 1 . . . . .	3	611,992.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . . . . .	4	4,378,834.
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	4,990,826.

**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 type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .		X
3b	If "Yes," did the organization undergo the required audit or audits? if the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

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

**Public Charity Status and Public Support**

OMB No. 1545-0047

**2010**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

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

Name of the organization: **GOODWILL INDUSTRIES OF EASTERN NC, INC.** Employer identification number: **56-0861003**

**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?	Yes	No
(ii) A family member of a person described in (i) above?		X
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		X
- 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)									
<b>Total</b>									

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**

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 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
3 The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
4 Total. Add lines 1 through 3 . . . . .						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f). . . . .						
6 Public support. Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
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, whether or not the business is regularly carried on . . . . .						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
11 Total support. Add lines 7 through 10 . . . . .						
12 Gross receipts from related activities, etc. (see instructions) . . . . .					12	
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 . . . . .						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) . . . . .	14	%
15 Public support percentage from 2009 Schedule A, Part II, line 14 . . . . .	15	%
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 . . . . .		<input type="checkbox"/>
b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
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 . . . . .		<input type="checkbox"/>
b 10%-facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
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 . . . . .		<input type="checkbox"/>

**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.")	20,180,538.	22,744,572.	25,274,704.	26,897,670.	28,820,328.	123,917,812.
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	1,514,944.	1,688,177.	1,465,748.	309,246.	91,104.	5,069,219.
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	21,695,482.	24,432,749.	26,740,452.	27,206,916.	28,911,432.	128,987,031.
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.)						128,987,031.

**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.	21,695,482.	24,432,749.	26,740,452.	27,206,916.	28,911,432.	128,987,031.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	159,368.	185,967.	-80,726.	96,568.	74,455.	435,632.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	159,368.	185,967.	-80,726.	96,568.	74,455.	435,632.
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.) <i>ATCH 1</i>	29,636.	36,398.	32,743.	4,696.	5,503.	108,976.
13 Total support. (Add lines 9, 10c, 11, and 12.)	21,884,486.	24,655,114.	26,692,469.	27,308,180.	28,991,390.	129,531,639.
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. <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f)).	15	99.58%
16 Public support percentage from 2009 Schedule A, Part III, line 15.	16	99.53%

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f)).	17	.34%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	.36%

- 19a **33 1/3% support tests - 2010.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization
- b **33 1/3% support tests - 2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization
- 20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

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

ATTACHMENT 1

## SCHEDULE A, PART III - OTHER INCOME

DESCRIPTION	2006	2007	2008	2009	2010	TOTAL
MISCELLANEOUS	29,636.	36,398.	32,743.	4,696.	5,503.	108,976.
TOTAL	<u>29,636.</u>	<u>36,398.</u>	<u>32,743.</u>	<u>4,696.</u>	<u>5,503.</u>	<u>108,976.</u>

Schedule of Contributors

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

2010

Name of the organization

Employer identification number

GOODWILL INDUSTRIES OF EASTERN NC, INC.

56-0861003

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(03 ) (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 **GOODWILL INDUSTRIES OF EASTERN NC, INC.**

Employer identification number  
**56-0861003**

**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	GOODWILL COMMUNITY FOUNDATION 4808 CHIN PAGE ROAD DURHAM, NC 27703	\$ 28,820,328.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization **GOODWILL INDUSTRIES OF EASTERN NC, INC.**

Employer identification number

56-0861003

**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
1	CLOTHING AND HOUSEHOLD ITEMS	\$ 28,820,328.	VARIOUS
		\$	
		\$	
		\$	
		\$	
		\$	

Supplemental Financial Statements

2010

Open to Public Inspection

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.

Department of the Treasury Internal Revenue Service

Name of the organization GOODWILL INDUSTRIES OF EASTERN NC, INC.

Employer identification number 56-0861003

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

Table with 3 columns: Question number, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and two Yes/No questions regarding donor advisement.

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

Form for Part II Conservation Easements. Includes questions about purpose(s) of easements, total number and acreage, and monitoring expenses. Includes a sub-table for 'Held at the End of the Tax Year' with rows 2a, 2b, 2c, and 2d.

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

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions about reporting requirements and amounts for revenues and assets.

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

Schedule D (Form 990) 2010

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

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

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

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

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

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

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

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

	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 XIV.

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

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

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

- a Board designated or quasi-endowment \_\_\_\_\_ %
- b Permanent endowment \_\_\_\_\_ %
- c Term endowment \_\_\_\_\_ %

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

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

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				
c Leasehold improvements		740,692	281,581	459,111
d Equipment		3,852,972	3,073,395	779,577
e Other		43,145		43,145
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				1,281,833

**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) -----		
<b>Total.</b> (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)		
<b>Total.</b> (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) DEFERRED COMP TRUST FUND	805,480.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.)	805,480.

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

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	0.
(2) DEFERRED COMPENSATION	1,275,984.
(3) RETIREMENT HOUSING ALLOWANCE	258,000.
(4) RETIREMENT MEDICAL HEALTH PLAN	270,000.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (E) line 25.)	1,803,984.

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	28,991,390.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	28,379,398.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	611,992.
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	611,992.

**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	28,991,390.
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	28,991,390.
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	28,991,390.

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

1	Total expenses and losses per audited financial statements	1	28,379,398.
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	28,379,398.
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	28,379,398.

**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.

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**Part XIV** Supplemental Information (continued)

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**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

GOODWILL INDUSTRIES OF EASTERN NC, INC.

Employer identification number

56-0861003

**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 checked="" 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 checked="" 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 type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input 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**
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c**
- 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**
- b** Any related organization? **5b**
- 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**
- b** Any related organization? **6b**
- 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

**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

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
<b>1b</b>	X	
<b>2</b>	X	
<b>4a</b>		X
<b>4b</b>		X
<b>4c</b>		X
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>		X
<b>7</b>		X
<b>8</b>		X
<b>9</b>		

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 DENNIS MCLAIN	220,218	0	7,464	23,418	142,920	394,020	0
2 LINDA MCLAIN	239,372	0	51,479	23,400	8,420	322,671	0
3 DANIEL HAWLEY	157,687	0	20,981	16,229	15,629	210,526	0
4 STEVE SNYDERMAN	141,348	0	40,855	16,244	8,693	207,140	0
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							

**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.

PART I - QUESTIONS REGARDING COMPENSATION

PART I, LINE 1A:

FIRST CLASS AND CHARTER TRAVEL:

GIENC MAY PAY FOR FIRST CLASS OR CHARTER TRAVEL UNDER THE FOLLOWING

CIRCUMSTANCES:

- 1) ACCOMODATION FOR DISABILITY WHEN BUSINESS CLASS IS NOT AVAILABLE
- 2) PART OF A BUSINESS CLASS PACKAGE INVOLVING INTERNATIONAL TRAVEL WHERE BUYING A SEPARATE COACH CLASS TICKET FOR THAT LEG OF THE JOURNEY WOULD EXCEED THE COST OF THE FIRST CLASS TICKET
- 3) CHARTER AS NEEDED TO VERIFY USE OF RESOURCES FOR THE INTENDED PURPOSE AND NON TERRORIST PERSONS OR ACTIVITIES BY GRANT RECIPIENTS

HOUSING:

TREASURY REGULATIONS SECTION 1.1402(C)-5(A)(2)(V) "IF A MINISTER, PURSUANT TO AN ASSIGNMENT OR DESIGNATION BY A RELIGIOUS BODY CONSTITUTING HIS CHURCH, PERFORMS SERVICES FOR AN ORGANIZATION WHICH IS NEITHER A RELIGIOUS ORGANIZATION NOR OPERATED AS AN INTEGRAL AGENCY OF A RELIGIOUS ORGANIZATION, ALL SERVICES PERFORMED BY HIM, EVEN THOUGH SUCH SERVICE MAY NOT INVOLVE THE CONDUCT OF RELIGIOUS WORSHIP OR THE MINISTRATION OF

**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.

SACREDOTAL FUNCTIONS, IS IN THE EXERCISE OF HIS MINISTRY." REVEREND

DENNIS MCLAIN IS A MINISTER OF THE GOSPEL AS SET FORTH IN SECTION 107 OF THE INTERNAL REVENUE CODE. REVEREND MCLAIN IS AN ELDER IN THE INDIANA CONFERENCE OF THE UNITED METHODIST CHURCH APPOINTED BY THE INDIANA CONFERENCE OF THE UNITED METHODIST CHURCH TO PERFORM SERVICES FOR GOODWILL INDUSTRIES OF EASTERN NORTH CAROLINA, INC. AND THE GOODWILL COMMUNITY FOUNDATION, INC. AS A MINISTER OF THE GOSPEL. REVEREND MCLAIN RECEIVES A HOUSING ALLOWANCE IN COMPLIANCE WITH IRS REGULATION AND FEDERAL LAW PERTAINING TO SUCH MATTERS.

PRIVATE CLUB:

REVEREND MCLAIN IS A MEMBER OF THE CAPITAL CITY CLUB. THE MEMBERSHIP IS USED 100% FOR GIENC/GCF PURPOSES. GIENC COMPLIES WITH TREAS. REG. SEC. 1.132-5(S)(1) AND COMPLIES WITH ALL REQUIREMENTS RELATED TO A WORKING CONDITION FRINGE. THERE WAS NO PERSONAL USE OF THE CAPITAL CITY CLUB OR OTHER ASSOCIATED CLUBS BY REVEREND MCLAIN.

**SCHEDULE M  
(Form 990)**

**Noncash Contributions**

OMB No. 1545-0047

**2010**

**Open To Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

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

Name of the organization

**GOODWILL INDUSTRIES OF EASTERN NC, INC.**

Employer identification number

**56-0861003**

**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 . . . . .	X		28,820,328.	FAIR VALUE
6 Cars and other vehicles . . . . .				
7 Boats and planes . . . . .				
8 Intellectual property . . . . .				
9 Securities - Publicly traded . . . . .				
10 Securities - Closely held stock . . . . .				
11 Securities - Partnership, LLC, or trust interests . . . . .				
12 Securities - Miscellaneous . . . . .				
13 Qualified conservation contribution - Historic structures . . . . .				
14 Qualified conservation contribution - Other . . . . .				
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**

	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)

JSA

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**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.

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Part I Liquidation, Termination, or Dissolution (continued)

Note. If the organization distributed all of its assets during the tax year, then Form 990, Part X, column (B) should equal -0-

- 3 Did the organization distribute its assets in accordance with its governing instrument(s)? If "No," describe in Part III
4a Is the organization required to notify the attorney general or other appropriate state official of its intent to dissolve, liquidate, or terminate?
4b If "Yes," did the organization provide such notice?
5 Did the organization discharge or pay all liabilities in accordance with state laws?
6a Did the organization have any tax-exempt bonds outstanding during the year?
6b Did the organization discharge or defease tax-exempt bond liabilities in accordance with the Internal Revenue Code and state laws?

Table with 2 columns: Yes, No and rows 3, 4a, 4b, 5, 6a, 6b

Part II Sale, Exchange, Disposition, or Other Transfer of More Than 25% of the Organization's Assets. Complete this part if the organization answered "Yes" to Form 990, Part IV, line 32, or Form 990-EZ, line 36. Part II can be duplicated if additional space is needed.

Table with 7 columns: (a) Description of asset(s) distributed or transaction expenses paid, (b) Date of distribution, (c) Fair market value of asset(s) distributed or amount of transaction expenses, (d) Method of determining FMV for asset(s) distributed or transaction expenses, (e) EIN of recipient, (f) Name and address of recipient, (g) IRC section of recipient(s) (if tax-exempt) or type of entity

- 2 Did or will any officer, director, trustee, or key employee of the organization:
a Become a director or trustee of a successor or transferee organization?
b Become an employee of, or independent contractor for, a successor or transferee organization?
c Become a direct or indirect owner of a successor or transferee organization?
d Receive, or become entitled to, compensation or other similar payments as a result of the organization's significant disposition of assets?
e If the organization answered "Yes" to any of the questions in this line, provide the name of the person involved and explain in Part III.

Table with 2 columns: Yes, No and rows 2a, 2b, 2c, 2d

**Part III**

**Supplemental Information.** Complete to provide the information required by Part I, lines 2e and 6c, and Part II, line 2e. Also complete this part to provide any additional information.

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

**Supplemental Information to Form 990 or 990-EZ**

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

**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.**

Name of the organization

Employer identification number

GOODWILL INDUSTRIES OF EASTERN NC, INC.

56-0861003

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

FORM 990, PART III, LINE 4D:

OPPORTUNITIES FOR PERSONAL GROWTH - SUPPORT THE PROVISION OF PROGRAM  
FOCUSED FACILITIES EQUIPMENT AND GRANTS BY GOODWILL COMMUNITY FOUNDATION,  
INC. "TO ASSIST PERSONS, INCLUDING, BUT NOT LIMITED TO, THOSE WITH  
DISABILITIES AND THE DISADVANTAGED TO ATTAIN THE FULLEST DEVELOPMENT OF  
WHICH THEY ARE CAPABLE."

FAMILY OR BUSINESS RELATIONSHIP

FORM 990, PART VI - SECTION A, LINE 2:

DENNIS MCLAIN, PRESIDENT, AND LINDA MCLAIN, VICE-PRESIDENT, ARE MARRIED  
AND HAVE SUCCESSFULLY MANAGED GIENC SINCE 1983.

FORM 990 REVIEW PROCESS

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

THE FINAL VERSION OF THE FORM 990 IS EMAILED OR MAILED TO ALL BOARD  
MEMBERS SEVERAL DAYS PRIOR TO A BOARD MEETING. THE FINAL VERSION OF THE  
FORM 990 IS ON THE AGENDA AT THE BOARD MEETING AND A COMPLETE REVIEW IS  
PRESENTED BY THE TREASURER. THE BOARD THEN APPROVES THE FORM 990, WITH  
ANY PROPOSED CHANGES, FOR FILING WITH THE IRS.

MONITORING CONFLICTS OF INTEREST

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

A FORMAL CONFLICT OF INTEREST POLICY IS DISCUSSED WITH THE BOARD MEMBERS

Name of the organization

GOODWILL INDUSTRIES OF EASTERN NC, INC.

Employer identification number

56-0861003

DURING THE JANUARY BOARD MEETING AND EACH BOARD MEMBER SIGNS A NEW CONFLICT OF INTEREST POLICY EACH YEAR. AS WELL, A SECTION RELATED TO EXPECTATIONS ON CONFLICT OF INTEREST SITUATIONS IS INCLUDED IN THE CORPORATE COMPLIANCE PROGRAM WHICH IS PART OF THE EMPLOYEE HANDBOOK. EVERY EMPLOYEE MUST ACKNOWLEDGE, THROUGH SIGNATURE, RECEIPT AND UNDERSTANDING OF THE EMPLOYEE HANDBOOK EACH YEAR.

#### PROCESS FOR DETERMINING COMPENSATION

FORM 990, PART VI - SECTION B, LINE 15:

GOODWILL INDUSTRIES OF EASTERN NORTH CAROLINA, INC. COMPLIES WITH THE REBUTTABLE PRESUMPTIONS GRANTED TO IT BY IRS REGULATION 4958 AS FOLLOWS:

MEMBERS OF THE COMPENSATION COMMITTEE ARE NOT DISQUALIFIED FOR COMPENSATION DECISION MAKING PURPOSES AS DEFINED BY THE REGULATION.

THE COMPENSATION COMMITTEE IS THE SOLE BODY RESPONSIBLE FOR IDENTIFYING AND SELECTING THE DATA USED FOR ESTABLISHING COMPENSATION FOR DISQUALIFIED INDIVIDUALS.

NO DISQUALIFIED PERSONS FOR PURPOSES OF COMPENSATION PARTICIPATES IN OR IS PRESENT DURING THE SURVEY SELECTION DECISION.

THE COMPENSATION COMMITTEE UNANIMOUSLY APPROVED THE SELECTION OF THE "2009 NATIONAL EXECUTIVE COMPENSATION SURVEY" AS THE SOURCE DOCUMENT FOR SUPPORTING ITS COMPENSATION DECISIONS. THIS SOURCE DOCUMENT HAS BEEN USED

Name of the organization

GOODWILL INDUSTRIES OF EASTERN NC, INC.

Employer identification number

56-0861003

BY GIENC SINCE 1996.

THE COMPENSATION COMMITTEE IS THE SOLE BODY RESPONSIBLE FOR ESTABLISHING  
COMPENSATION OF DISQUALIFIED INDIVIDUALS.

THE COMPENSATION COMMITTEE IDENTIFIED THE FOLLOWING INDIVIDUALS AS  
DISQUALIFIED INDIVIDUALS FOR COMPENSATION PURPOSES:

DENNIS MCLAIN	PRESIDENT
LINDA MCLAIN	VICE-PRESIDENT
DANIEL HAWLEY	TREASURER

NO DISQUALIFIED PERSONS FOR PURPOSES OF COMPENSATION PARTICIPATE IN OR  
ARE PRESENT DURING THE COMPENSATION DECISION.

THE COMPENSATION COMMITTEE REVIEWS ALL FORMS OF COMPENSATION AS DEFINED  
BY THE IRS REGULATION.

THE COMPENSATION COMMITTEE UNANIMOUSLY APPROVED THE COMPENSATION FOR  
DISQUALIFIED PERSONS.

THE COMPENSATION COMMITTEE DOCUMENTED ITS DECISIONS AND THE BASIS FOR  
THEM THROUGH CONTEMPORANEOUS MINUTES OF THE MEETING.

THE COMPENSATION COMMITTEE REVIEWED AND APPROVED UNANIMOUSLY THE MINUTES  
OF SAID MEETING WITHIN 60 DAYS.

Name of the organization

GOODWILL INDUSTRIES OF EASTERN NC, INC.

Employer identification number

56-0861003

THE COMPENSATION COMMITTEE REPORTED ON ITS DECISIONS TO THE BOARD OF DIRECTORS.

MAKING DOCUMENTS AVAILABLE TO THE PUBLIC

FORM 990, PART VI - SECTION C, LINE 19:

GIENC DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC.

COMPENSATION OF OFFICERS, DIRECTORS, TRUSTEES, ETC.

FORM 990, PART VII, SECTION A, LINE 1A:

THE BOARD OF DIRECTORS MEETS 6 TIMES A YEAR IN ADDITION TO CERTAIN BOARD MEMBERS' DUTIES TO TWO OTHER COMMITTEES, INCLUDING COMPENSATION COMMITTEE AND AUDIT COMMITTEE.

**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

▶ 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.

OMB No. 1545-0047  
**2010**

Open to Public  
Inspection

Name of the organization

GOODWILL INDUSTRIES OF EASTERN NC, INC.

Employer identification number  
56-0861003

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

(1)	(2)	(3)	(4)	(5)	(6)	(e) 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)	GOODWILL COMMUNITY FOUNDATION, INC. 4808 CHIN PAGE ROAD DURHAM, NC 27703 56-1954387	CHARITY	NC	501(C)(3)	8	GIENC		X
(2)								
(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
(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
<b>1</b>	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?		
<b>a</b>	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity . . . . .		X
<b>b</b>	Gift, grant, or capital contribution to other organization(s) . . . . .		X
<b>c</b>	Gift, grant, or capital contribution from other organization(s) . . . . .		X
<b>d</b>	Loans or loan guarantees to or for other organization(s) . . . . .		X
<b>e</b>	Loans or loan guarantees by other organization(s) . . . . .		X
<b>f</b>	Sale of assets to other organization(s) . . . . .		X
<b>g</b>	Purchase of assets from other organization(s) . . . . .		X
<b>h</b>	Exchange of assets . . . . .		X
<b>i</b>	Lease of facilities, equipment, or other assets to other organization(s) . . . . .		X
<b>j</b>	Lease of facilities, equipment, or other assets from other organization(s) . . . . .		X
<b>k</b>	Performance of services or membership or fundraising solicitations for other organization(s) . . . . .		X
<b>l</b>	Performance of services or membership or fundraising solicitations by other organization(s) . . . . .		X
<b>m</b>	Sharing of facilities, equipment, mailing lists, or other assets . . . . .		X
<b>n</b>	Sharing of paid employees . . . . .		X
<b>o</b>	Reimbursement paid to other organization for expenses . . . . .		X
<b>p</b>	Reimbursement paid by other organization for expenses . . . . .		X
<b>q</b>	Other transfer of cash or property to other organization(s) . . . . .		X
<b>r</b>	Other transfer of cash or property from other organization(s) . . . . .		X
<b>2</b>	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-f)	(c) Amount involved	(d) Method of determining amount involved
(1) GOODWILL COMMUNITY FOUNDATION, INC.	D	6,865,000.	FMV
(2) GOODWILL COMMUNITY FOUNDATION, INC.	J	30.	FMV
(3) GOODWILL COMMUNITY FOUNDATION, INC.	P	807,155.	FMV
(4) GOODWILL COMMUNITY FOUNDATION, INC.	Q	9,000,000.	FMV
(5) GOODWILL COMMUNITY FOUNDATION, INC.	R	28,820,328.	FMV
(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).