

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See Specific Instructions on page 21.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash \$ _____ non-cash \$ _____)	22				
23 Specific assistance to individuals	23				
24 Benefits paid to or for members	24				
25 Compensation of officers, directors, etc.	25	128,179		128,179	
26 Other salaries and wages	26	751,415	577,015	174,400	
27 Pension plan contributions	27	74,174	48,955	25,219	
28 Other employee benefits	28	183,429	121,063	62,366	
29 Payroll taxes	29	69,617	46,851	22,766	
30 Professional fundraising fees	30				
31 Accounting fees	31	7,200		7,200	
32 Legal fees	32	4,377		4,377	
33 Supplies	33	214,654	126,393	88,261	
34 Telephone	34	21,265	15,949	5,316	
35 Postage and shipping	35	19,360	14,520	4,840	
36 Occupancy	36	95,757	71,818	23,939	
37 Equipment rental and maintenance	37	12,753		12,753	
38 Printing and publications	38	167,973	153,726		14,247
39 Travel	39	120,238	112,377	7,861	
40 Conferences, conventions, and meetings	40				
41 Interest	41				
42 Depreciation, depletion, etc. (att. sch.)	42	141,873		141,873	
43 Other expenses not covered above (itemize) a	43a				
b See Statement 3	43b	412,049	311,451	100,598	
c	43c				
d	43d				
e	43e				
44 Total functional expenses (add lines 22-43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	2,424,313	1,600,118	809,948	14,247

Joint Costs Check ☐ if you are following SOP 98-2Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____ (ii) the amount allocated to Program services \$ _____

(iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See Specific Instructions on page 24.)

What is the organization's primary exempt purpose?

▶ See Statement 4

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
 (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts but optional for others.)

a PROVIDING OVER 300 COURSES WITH ATTENDANCE REACHING OVER 4000 STUDENTS FROM ALL OVER THE UNITED STATES.

(Grants and allocations \$ _____) 1,600,118

b

(Grants and allocations \$ _____)

c

(Grants and allocations \$ _____)

d

(Grants and allocations \$ _____)

e Other program services (attach schedule)

(Grants and allocations \$ _____)

f Total of Program Service Expenses (should equal line 44, column (B), Program services)

▶ 1,600,118

Part IV Balance Sheets (See Specific Instructions on page 24)

Note	Where required, attached schedules and amounts within the description column should be for end-of-year amounts only	(A) Beginning of year		(B) End of year
45	Cash-non-interest-bearing	-25,130	45	8,239
46	Savings and temporary cash investments	405,835	46	597,187
47a	Accounts receivable	6,396		
b	Less allowance for doubtful accounts		47c	6,396
48a	Pledges receivable			
b	Less allowance for doubtful accounts		48c	
49	Grants receivable		49	
50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
51a	Other notes and loans receivable (attach schedule)			
b	Less allowance for doubtful accounts		51c	
52	Inventories for sale or use	111,724	52	137,139
53	Prepaid expenses and deferred charges	24,073	53	46,388
54	Investments-securities ☐ Cost ☐ FMV		54	
55a	Investments-land, buildings, and equipment basis			
b	Less accumulated depreciation (attach schedule)		55c	
56	Investments-other (attach schedule)	See Stmt 5	56	1,723,571
57a	Land, buildings, and equipment basis	3,815,252		
b	Less accumulated depreciation (attach schedule)		57c	2,530,740
57b		1,284,512		
58	Other assets (describe ☐ See Stmt 6)	11,951	58	25,062
59	Total assets (add lines 45 through 58) (must equal line 74)	4,494,239	59	5,074,722
60	Accounts payable and accrued expenses	123,030	60	210,583
61	Grants payable		61	
62	Deferred revenue	146,187	62	182,908
63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
64a	Tax-exempt bond liabilities (attach schedule)		64a	
b	Mortgages and other notes payable (attach schedule)		64b	
65	Other liabilities (describe ☐)		65	
66	Total liabilities (add lines 60 through 65)	269,217	66	393,491
Organizations that follow SFAS 117, check here ☒ and complete lines 67 through 69 and lines 73 and 74				
67	Unrestricted	4,187,217	67	4,587,188
68	Temporarily restricted	9,376	68	64,857
69	Permanently restricted	28,429	69	29,186
Organizations that do not follow SFAS 117, check here ☐ and complete lines 70 through 74				
70	Capital stock, trust principal or current funds		70	
71	Paid-in or capital surplus, or land, building, and equipment fund		71	
72	Retained earnings, endowment, accumulated income, or other funds		72	
73	Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	4,225,022	73	4,681,231
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	4,494,239	74	5,074,722

Form 990 (2001)

JOHN C. CAMPBELL FOLK SCHOOL, INC. 56-0552780

Page 4

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 26)	Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
a Total revenue, gains, and other support per audited financial statements ▶ a 2,626,606	a Total expenses and losses per audited financial statements ▶ a 2,424,313
b Amounts included on line a but not on line 12, Form 990 (1) Net unrealized gains on investments \$ (2) Donated services and use of facilities \$ (3) Recoveries of prior year grants \$ (4) Other (specify)	b Amounts included on line a but not on line 17, Form 990 (1) Donated services and use of facilities \$ (2) Prior year adjustments reported on line 20, Form 990 \$ (3) Losses reported on line 20, Form 990 \$ (4) Other (specify)
See Stmt 7 \$ -253,916	\$
Add amounts on lines (1) through (4) ▶ b -253,916	Add amounts on lines (1) through (4) ▶ b
c Line a minus line b ▶ c 2,880,522	c Line a minus line b ▶ c 2,424,313
d Amounts included on line 12, Form 990 but not on line a (1) Investment expenses not included on line 6b, Form 990 \$ (2) Other (specify)	d Amounts included on line 17, Form 990 but not on line a (1) Investment expenses not included on line 6b, Form 990 \$ (2) Other (specify)
\$	\$
Add amounts on lines (1) and (2) ▶ d	Add amounts on lines (1) and (2) ▶ d
e Total revenue per line 12, Form 990 (line c plus line d) ▶ e 2,880,522	e Total expenses per line 17, Form 990 (line c plus line d) ▶ e 2,424,313

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see Specific Instructions on page 26)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contrib to employee benefit plans & deferred compensation	(E) Expense account and other allowances
WILLIAM MASSEY 4508 COLUMBINE COURT, CHARLOTTE, NC	DIRECTOR NONE	0	0	0
BOB GROVE 618 DOG BRANCH RD, BRASSTOWN, NC	DIRECTOR NONE	0	0	0
NANCY TROXLER 622 WALDROUP RD, BRASSTOWN, NC	SECRETARY NONE	0	0	0
TONY AUSTIN P.O. BOX 286, LAKE TOXAWAY, NC	PRESIDENT NONE	0	0	0
ROBIN MAUNEY P.O. BOX 25304, EUGENE, OR	DIRECTOR NONE	0	0	0
MIMI CECIL 7 FRITH DR, ASHEVILLE, NC	DIRECTOR NONE	0	0	0
DALE LILES 2142 CHEROKEE BLVD, KNOXVILLE, TN	DIRECTOR NONE	0	0	0
ESTHER MANCHESTER 209 RANGER HILL, MURPHY, NC	VICE PRES NONE	0	0	0
MARIE B. ROTH 136 BRIGADOON DR, HAYESVILLE, NC	DIRECTOR NONE	0	0	0
See Statement 8				

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations?
If "Yes," attach schedule-see Specific Instructions on page 27

▶ ☐ Yes ☒ No

Part VI Other Information (See Specific Instructions on page 27)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes" attach a conformed copy of the changes	77	X
78a	Did the organization have unrelated business gross inc of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership governing bodies trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X
b	If "Yes," enter the name of the organization ☐ and check whether it is ☐ exempt OR ☐ nonexempt		
81a	Enter direct or indirect political expenditures See line 81 instr	81a	
b	Did the organization file Form 1120-POL for this year?	81b	X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part II)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A 84b	
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	N/A 85a	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	N/A 85b	
c	Dues assessments, and similar amounts from members	85c	
d	Section 162(e) lobbying and political expenditures	85d	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	N/A 85g	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A 85h	
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	86a	
b	Gross receipts, included on line 12 for public use of club facilities	86b	
87	501(c)(12) orgs Enter a Gross income from members or shareholders	87a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <u>0</u> , section 4912 <u>0</u> , section 4955 <u>0</u>		
b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		0
90a	List the states with which a copy of this return is filed <u>NC</u>		
b	Number of employees employed in the pay period that includes March 12, 2001 (See instructions)	90b	43
91	The books are in care of <u>JOHN CAMPBELL FOLK SCHOOL</u> Located at <u>ONE FOLK SCHOOL ROAD, BRASSTOWN, NC</u>	Telephone no	828-837-2775
		ZIP + 4	28902
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here ☐ and enter the amount of tax-exempt interest received or accrued during the tax year	92	

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 32)

Note Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by sec 512 513 or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a TUITION, HOUSING, MEALS & FEE					2,245,554
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	20,566	
96 Dividends and interest from securities			14	46,457	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property			16	4,877	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			14	43,068	3,012
101 Net income or (loss) from special events			5	46,177	
102 Gross profit or (loss) from sales of inventory			3	82,430	
103 Other revenue a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0		243,575	2,248,566
105 Total (add line 104, columns (B), (D), and (E))					2,492,141

Note Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See Specific Instructions on page 32)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93a	TUITION, FEES, HOUSING AND MEALS ARE FOR CLASSES OFFERED BY THE SCHOOL TO STUDENTS. MOST STUDENTS LIVE LONG DISTANCES FROM THE SCHOOL.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 33)

(A) Name, address and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transactions Associated with Personal Benefit Contracts (See Specific Instructions on page 33)

- (a) Did the organization, during the year, receive any payment, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, the information is true and correct. I am a preparer of this return and my knowledge is based on all information of which I have any knowledge.

5 8 2

Date

SCHEDULE A
(Form 990 or 990-EZ)**Organization Exempt Under Section 501(c)(3)**(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust**Supplementary Information-(See separate instructions)**

OMB No 1545-0047

2001Department of the Treasury
Internal Revenue Service▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

Employer identification number

JOHN C. CAMPBELL FOLK SCHOOL, INC.**56-0552780****Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See page 1 of the instructions List each one If there are none, enter "None ")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee ben plans & deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$50,000 ▶				

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instr List each one (whether individuals or firms) If there are none, enter "None ")

(a) Name and address of each independent contractor paid more than \$ 50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services ▶		

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

Schedule A (Form 990 or 990-EZ) 2001

Part III Statements About Activities (See page 2 of the instructions)

Yes No

- 1** During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities **\$** _____ (Must equal amount on line 38, Part VI-A, or line 1 of Part VI-B)

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities

- 2** During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)

- a** Sale, exchange, or leasing of property?
- b** Lending of money or other extension of credit?
- c** Furnishing of goods, services, or facilities?
- d** Payment of compensation (or payment or reimbursement of expense if more than \$1,000)?
- e** Transfer of any part of its income or assets?

- 3** Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below)

- 4** Do you have a section 403(b) annuity plan for your employees?

Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions)

The organization is not a private foundation because it is (Please check only **ONE** applicable box.)

- 5** ☐ A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6** ☒ A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7** ☐ A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8** ☐ A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9** ☐ A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state **▶**
- 10** ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11a** ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11b** ☐ A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12** ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions-subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
- 13** ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting**Note** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable etc. purpose					
18 Gross inc. from int. dividends, amounts received from pymt. on securities, loans (section 512(a)(5)), rents, royalties, & unrelated busn. taxable inc. (less sec. 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revn. levied for the organization's ben. & either paid to it or expended on its behalf					
21 The value of serv. or fac. furnished to the org. by a governmental unit without charge. Do not incl. the value of serv. or fac. generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of cap. assets.					
23 Total of lines 15 through 22					
24 Line 23 minus line 17					
25 Enter 1% of line 23					

26 Organizations described on lines 10 or 11 a Enter 2% of amount in column (e), line 24

26a	
26b	
26c	
26d	
26e	
26f	%

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.

c Total support for section 509(a)(1) test. Enter line 24, column (e)

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

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

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

27 Organizations described on line 12 a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year.

N/A

(2000)	(1999)	(1998)	(1997)
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year.			

N/A

(2000)	(1999)	(1998)	(1997)
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____			
d Add: Line 27a total _____ and line 27b total _____			
e Public support (line 27c total minus line 27d total)			
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e) 27f _____			
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) 27g _____ %			
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) 27h _____ %			

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1997 through 2000, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 7 of the instructions)

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	X	
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	X	
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	X	
If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)		
THE RACIALLY NONDISCRIMINATORY POLICY FOR JOHN C. CAMPBELL FOLK SCHOOL, INC. IS PUBLICIZED ANNUALLY IN THE COURSE CATALOG.		
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		X
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d Copies of all material used by the organization or on its behalf to solicit contributions?	X	
If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)		
See Statement 9		
33 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?		X
b Admissions policies?		X
c Employment of faculty or administrative staff?		X
d Scholarships or other financial assistance?		X
e Educational policies?		X
f Use of facilities?		X
g Athletic programs?		X
h Other extracurricular activities?		X
If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)		
34a Does the organization receive any financial aid or assistance from a governmental agency?		X
b Has the organization's right to such aid ever been revoked or suspended?		X
If you answered "Yes" to either 34a or b, please explain using an attached statement		
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587 covering racial nondiscrimination? If "No," attach an explanation	X	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)(To be completed **ONLY** by an eligible organization that filed Form 5768) **N/A**Check **a** if the organization belongs to an affiliated group Check **b** if you checked "a" and "limited control" provisions apply**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred)

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table-		
If the amount on line 40 is-		
Not over \$500,000		
Over \$500,000 but not over \$1,000,000		
Over \$1,000,000 but not over \$1,500,000		
Over \$1,500,000 but not over \$17,000,000		
Over \$17,000,000		
The lobbying nontaxable amount is-		
20% of the amount on line 40		
\$100,000 plus 15% of the excess over \$500,000		
\$175,000 plus 10% of the excess over \$1,000,000	41	
\$225,000 plus 5% of the excess over \$1,500,000		
\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	

Caution If there is an amount on either line 43 or line 44, you must file Form 4720**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below)

See the instructions for lines 45 through 50 on page 11 of the instructions

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instr)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a Volunteers
- b Paid staff or management (include compensation in expenses reported on lines c through h)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (add lines c through h)
- If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Yes	No	Amount

Part VII

Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of

(i) **Cash**

(ii) Other assets

b Other transactions

(i) Sales or exchanges of assets with a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities, equipment, or other assets

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)		X
b(iv)		X
b(v)		X
b(vi)		X
c		X

[illegible]

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

► ☐ Yes ☒ No

b If "Yes," complete the following schedule

[illegible]

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**Supplementary Information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No. 1545-0047

2001

Name of organization

Employer identification number

JOHN C. CAMPBELL FOLK SCHOOL, INC.**56-0552780**

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 foundationCheck 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 box(es) for both the General rule and a Special rule-see instructions.)**General Rule-**

- ☒
- For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor (Complete Parts I and II.)

Special Rules-

- ☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms (Complete Parts I and II.)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor during the year aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III.)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000 (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the Parts unless the General rule applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.)

▶ \$ _____

Caution Organizations that are not covered by the General rule and/or the Special rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 1 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Schedule B (Form 990, 990-EZ, or 990-PF) (2001)

Name of organization

JOHN C. CAMPBELL FOLK SCHOOL, INC.

Employer identification number

56-0552780

Part I Contributors (See Specific Instructions)

(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>1</u>		\$ 58,725	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No		(c) Aggregate contributions	(d) Type of contribution
<u>2</u>		\$ 120,000	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No		(c) Aggregate contributions	(d) Type of contribution
<u>4</u>		\$ 25,000	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No		(c) Aggregate contributions	(d) Type of contribution
<u>5</u>		\$ 10,000	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No		(c) Aggregate contributions	(d) Type of contribution
<u>6</u>		\$ 40,000	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No		(c) Aggregate contributions	(d) Type of contribution
<u>8</u>		\$ 25,000	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

Name of organization

JOHN C. CAMPBELL FOLK SCHOOL, INC.

Employer identification number

56-0552780

Part I Contributors (See Specific Instructions)

(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
9		\$ 10,576	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

Name of organization

JOHN C. CAMPBELL FOLK SCHOOL, INC.

Employer identification number

56-0552780

Part II Noncash Property (See Specific Instructions)

(a) No from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
9	200 SHARES OF MERRIL LYNCH & CO, INC. STOCK	\$ 10,576	7/31/01
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

	(A)	(B)	(C)	Others	Total
Gross receipts	41,174	17,268	0	0	58,442
Less contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Gross revenue	41,174	17,268	0	0	58,442
Less direct expenses	<u>12,265</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,265</u>
Net income (loss)	<u>28,909</u>	<u>17,268</u>	<u>0</u>	<u>0</u>	<u>46,177</u>

A) FALL FESTIVAL

B) CRAFT AUCTION

c) _____

Others _____

[illegible]

Form 4562	Depreciation and Amortization (Including Information on Listed Property)	OMB No 1545-0172 2001 Attachment Sequence No 67
Department of the Treasury Internal Revenue Service (99)		
▶ See separate instructions ▶ Attach this form to your return		
Name(s) shown on return JOHN C. CAMPBELL FOLK SCHOOL, INC.		Identifying number 56-0552780

Business or activity to which this form relates

Indirect Depreciation**Part I Election To Expense Certain Tangible Property Under Section 179**

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

1 Maximum dollar limitation. If an enterprise zone business, see page 2 of the instructions	1	\$24,000
2 Total cost of section 179 property placed in service (see page 2 of the instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$200,000
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 page 2 of the instructions	5	

(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6		
7 Listed property. Enter amount from line 27	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 2000 (see page 3 of the instructions)	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 2002. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation for Assets Placed in Service Only During Your 2001 Tax Year (Do not include listed property)**Section A-General Asset Account Election**

- 14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See page 3 of the instructions. ☐

Section B-General Depreciation System (GDS) (See page 3 of the instructions)

(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
15a 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			39 yrs	MM	S/L	

Section C-Alternative Depreciation System (ADS) (See page 5 of the instructions)

16a Class life					S/L
b 12-year			12 yrs		S/L
c 40-year			40 yrs	MM	S/L

Part III Other Depreciation (Do not include listed property) (See instructions beginning on page 5)

17 GDS and ADS deductions for assets placed in service in tax years beginning before 2001	17	29,416
18 Property subject to section 168(f)(1) election	18	
19 ACRS and other depreciation	19	112,457

Part IV Summary (See page 6 of the instructions)

20 Listed property. Enter amount from line 26	20	
21 Total. Add deductions from line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instructions	21	141,873
22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	22	

For Paperwork Reduction Act Notice, see page 9 of the instructions

Form 4562 (2001)

Federal Statements**Statement 1 - Form 990, Part I, Line 8c - Sale of Assets Other Than Inventory - Other**

Desc			How	Whom		
	Date Acquired	Date Sold	Rec'd	Sold	Deprec	Gain/ -Loss
SPINNING WHEEL				Purchase		
	5/13/86	4/16/01	\$	1,606	\$	\$ 1,606
KILN				Purchase		
	7/01/88	4/13/01		1,406		1,406
UNITED STATES TRUST OF N.Y.						
				42,946		42,946
REST. SHOLARSHIP INVESTMENTS						
				122		122
Total			\$	46,080	\$ 0	\$ 46,080

Statement 2 - Form 990, Line 10c - Sales of Inventory

Description	Gross Sales	COGS	Gross Profit
CRAFT SHOP & DINING HALL	\$ 573,404	\$ 490,974	\$ 82,430
Total	\$ 573,404	\$ 490,974	\$ 82,430

Federal Statements**Statement 3 - Form 990, Part II, Line 43 - Other Functional Expenses**

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
	\$	\$	\$	\$
Expenses				
BANK CHARGES	1,278		1,278	
CREDIT CARD FEES	28,404		28,404	
HOST SUBSIDY	4,150		4,150	
INSTRUCTION	296,816	296,816		
INSURANCE	54,614		54,614	
INVESTMENT EXPENSES	8,005		8,005	
TAXES & LICENSES	3,326		3,326	
MISCELLANEOUS	821		821	
STUDENT TRANSPORTATION	14,635	14,635		
Total	\$ 412,049	\$ 311,451	\$ 100,598	\$ 0

Statement 4 - Form 990, Part III - Organization's Primary Exempt Purpose

THE JOHN C CAMPBELL FOLK SCHOOL, INC. STRIVES TO ENCOURAGE INDIVIDUAL TALENT AND COMMUNITY LIFE THROUGH THE DEVELOPMENT OF CREATIVE EXPRESSION AND LEARNING BY DOING. ROOTED AS IT IS IN THE HISTORY AND CULTURE OF THE REGION, THE FOLK SCHOOL FOSTERS KNOWLEDGE AND APPRECIATION OF NATURE, MUSIC, DANCE, FOLKLORE, TRADITIONAL AND CONTEMPORARY CRAFTS THROUGH EDUCATION, MARKETING, RESEARCH, ARCHIVING, COMMUNITY SERVICE AND PUBLIC PROGRAMMING.

56-0552780

Federal Statements

FYE 12/31/2001

Statement 5 - Form 990, Part IV, Line 56 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation
UNITED STATES TRUST COMPANY OF N.Y.	\$ 1,493,190	\$ 1,723,571	
Total	\$ 1,493,190	\$ 1,723,571	

Statement 6 - Form 990, Part IV, Line 58 - Other Assets

Description	Beginning of Year	End of Year
CONSTRUCTION IN PROGRESS	\$ 3,726	\$ 16,837
UTILITY DEPOSIT	50	50
MUSEUM COLLECTION EXHIBITS	8,175	8,175
Total	\$ 11,951	\$ 25,062

56-0552780

Federal Statements

FYE 12/31/2001

Statement 7 - Form 990, Part IV-A - Other Revenue Included in Financial Statements

Description	Amount
UNREALIZED LOSSES ON INVESTMENTS	\$ -253,916
Total	\$ -253,916

Statement 8 - Form 990, Part V - List of Officers, Directors, Trustees, and Key Employees

Name	Title	Average Hours	Address	Compensation	Benefits	Expenses
JILL RUANE	DIRECTOR	NONE	413 MOUNTAINDALE RD, CHATTANOOGA, TN			
TIM RYAN	DIRECTOR	NONE	P.O. BOX 39, BRASSTOWN, NC			
CLAY SPENCER	DIRECTOR	NONE	934 PARTRIDGE LN, MURPHY, NC			
PHIL MATTOX	DIRECTOR	NONE	P O. BOX 556, MURPHY, NC			
ANN H. TAAFFEE	TREASURER	NONE	P.O. BOX 9, MURPHY, NC			
JOHN A. DAVIDSON	CEO	40	P O. BOX 157, BRASSTOWN, NC	72,976	5,341	
MARIANNE O. HATCHETT	BUS MANAGER	40	695 CHATUGE VILLAGE, HAYESVILLE, NC	55,203	6,984	
JACK SHULTZ	DIRECTOR	NONE	1905 CRESCENT DR, HIAWASSEE, GA			

56-0552780

Federal Statements

FYE 12/31/2001

Schedule A, Part V, Line 31 - Publication of Nondiscriminatory Policy

THE RACIALLY NONDISCRIMINATORY POLICY FOR JOHN C. CAMPBELL FOLK SCHOOL, INC IS PUBLISHED ANNUALLY IN THE COURSE CATALOG.

Statement 9 - Schedule A, Part V, Line 32d - Records Maintenance Explanation

ALL STUDENTS ARE ACCEPTED ON A FIRST COME FIRST SERVE BASIS
CLASSES LAST A WEEK OR TWO AND INSTRUCTORS ARE HIRED ON A
TEMPORARY BASIS