

Form **990**

Department of the Treasury  
Internal Revenue Service

**Return of Organization Exempt From Income Tax**

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

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

OMB No 1545-0047

**2012**

Open to Public Inspection

**A For the 2012 calendar year, or tax year beginning 10/01/12, and ending 09/30/13**

<p><b>B</b> Check if applicable:</p> <p><input type="checkbox"/> Address change</p> <p><input type="checkbox"/> Name change</p> <p><input type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Terminated</p> <p><input type="checkbox"/> Amended return</p> <p><input type="checkbox"/> Application pending</p>	<p><b>C</b> Name of organization <b>LSA MANAGEMENT, INC.</b></p> <p>Doing Business As</p> <p>Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>P.O. BOX 947</b></p> <p>City, town or post office, state, and ZIP code <b>SALISBURY NC 28145-0947</b></p> <p><b>F</b> Name and address of principal officer: <b>TED GOINS</b> <b>P.O. BOX 947</b> <b>SALISBURY NC 28145-0947</b></p>	<p><b>D</b> Employer identification number <b>20-1457236</b></p> <p><b>E</b> Telephone number <b>704-637-2870</b></p> <p><b>G</b> Gross receipts \$ <b>3,858,625</b></p> <p><b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)</p> <p><b>H(c)</b> Group exemption number ▶ <b>9386</b></p>
<p><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</p>		
<p><b>J</b> Website: ▶ <b>WWW.LSCAROLINAS.NET</b></p>		
<p><b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶</p>		<p><b>L</b> Year of formation: <b>2004</b> <b>M</b> State of legal domicile: <b>NC</b></p>

**Part I Summary**

<b>Activities &amp; Governance</b>	<p><b>1</b> Briefly describe the organization's mission or most significant activities: <b>SEE SCHEDULE O</b></p> <p><b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.</p> <p><b>3</b> Number of voting members of the governing body (Part VI, line 1a) <span style="float:right"><b>3</b> <b>20</b></span></p> <p><b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) <span style="float:right"><b>4</b> <b>20</b></span></p> <p><b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a) <span style="float:right"><b>5</b> <b>33</b></span></p> <p><b>6</b> Total number of volunteers (estimate if necessary) <span style="float:right"><b>6</b> <b>0</b></span></p> <p><b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 <span style="float:right"><b>7a</b> <b>0</b></span></p> <p><b>b</b> Net unrelated business taxable income from Form 990-T, line 34 <span style="float:right"><b>7b</b> <b>0</b></span></p>	
<b>Revenue</b>	<p><b>8</b> Contributions and grants (Part VIII, line 1h) <span style="float:right"><b>Prior Year</b> <b>69,003</b> <b>Current Year</b> <b>177,254</b></span></p> <p><b>9</b> Program service revenue (Part VIII, line 2g) <span style="float:right"><b>3,362,432</b> <b>3,622,906</b></span></p> <p><b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) <span style="float:right"><b>65,260</b> <b>46,333</b></span></p> <p><b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) <span style="float:right"><b>3,477</b> <b>12,132</b></span></p> <p><b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) <span style="float:right"><b>3,500,172</b> <b>3,858,625</b></span></p>	
<b>Expenses</b>	<p><b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3) <span style="float:right"><b>0</b></span></p> <p><b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) <span style="float:right"><b>0</b></span></p> <p><b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) <span style="float:right"><b>2,579,789</b> <b>2,719,132</b></span></p> <p><b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) <span style="float:right"><b>0</b></span></p> <p><b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>548,215</b> <span style="float:right"><b>0</b></span></p> <p><b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) <span style="float:right"><b>866,555</b> <b>987,326</b></span></p> <p><b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) <span style="float:right"><b>3,446,344</b> <b>3,706,458</b></span></p> <p><b>19</b> Revenue less expenses. Subtract line 18 from line 12 <span style="float:right"><b>53,828</b> <b>152,167</b></span></p>	
<b>Net Assets or Fund Balances</b>	<p><b>20</b> Total assets (Part X, line 16) <span style="float:right"><b>Beginning of Current Year</b> <b>49,809,885</b> <b>End of Year</b> <b>81,531,416</b></span></p> <p><b>21</b> Total liabilities (Part X, line 26) <span style="float:right"><b>46,733,599</b> <b>77,092,469</b></span></p> <p><b>22</b> Net assets or fund balances. Subtract line 21 from line 20 <span style="float:right"><b>3,076,286</b> <b>4,438,947</b></span></p>	

**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>	<p>Signature of officer </p> <p><b>KIRBY NICKERSON</b> <b>TREASURER</b></p> <p>Type or print name and title</p>	<p>Date <b>02/14/14</b></p>
<b>Paid Preparer Use Only</b>	<p>Print/Type preparer's name <b>ANTHONY T. PANDISCIA</b></p> <p>Firm's name ▶ <b>LANGDON &amp; COMPANY LLP</b></p> <p>Firm's address ▶ <b>223 US HIGHWAY 70 EAST, SUITE 100</b> <b>GARNER, NC 27529-4051</b></p>	<p>Preparer's signature </p> <p>Date <b>02/11/14</b></p> <p>Check <input type="checkbox"/> if self-employed <input type="checkbox"/> if PTIN <b>P00187421</b></p> <p>Firm's EIN ▶ <b>56-1743537</b></p> <p>Phone no. <b>919-662-1001</b></p>

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

**Part III Statement of Program Service Accomplishments**

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

**1** Briefly describe the organization's mission:

**SEE SCHEDULE O**

**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 organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations 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 \$ **1,238,870** including grants of\$ ) (Revenue \$ **3,622,906** )

**LSA MANAGEMENT, INC. (LSAM) IS AN AFFILIATE OF LUTHERAN SERVICES FOR THE AGING, INC., A SOCIAL MINISTRY OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA. LSAM IS RESPONSIBLE FOR PROVIDING ADMINISTRATIVE SUPPORT, FINANCIAL MANAGEMENT, INFORMATION TECHNOLOGY SERVICES, RESOURCE DEVELOPMENT AND VARIOUS SUPPORT SERVICES TO THE AFFILIATE CORPORATIONS THAT MINISTER TO THE AGING, ASSURING QUALITY, CONSISTENCY, AND BEST PRACTICES THROUGHOUT THE ORGANIZATION.**

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

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

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

(Expenses \$ including grants of\$ ) (Revenue \$ )

**4e Total program service expenses** ▶ **1,238,870**

**Part IV Checklist of Required Schedules**

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	X	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		X
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20a	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

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

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

		Yes	No		
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	<b>1a</b>	<b>31</b>		
<b>1b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	<b>1b</b>	<b>0</b>		
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<b>1c</b>		<b>X</b>	
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<b>2a</b>	<b>33</b>		
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	<b>2b</b>		<b>X</b>	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year?	<b>3a</b>			<b>X</b>
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	<b>3b</b>			
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	<b>4a</b>			<b>X</b>
<b>b</b>	If "Yes," enter the name of the foreign country: <b>▶</b> See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>			<b>X</b>
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>			<b>X</b>
<b>c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	<b>5c</b>			
<b>6a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	<b>6a</b>			<b>X</b>
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>			
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>				
<b>a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	<b>7a</b>			<b>X</b>
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7b</b>			
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7c</b>			<b>X</b>
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year	<b>7d</b>			
<b>e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>			<b>X</b>
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7f</b>			<b>X</b>
<b>g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>			
<b>h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<b>7h</b>			
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	<b>8</b>			
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>				
<b>a</b>	Did the organization make any taxable distributions under section 4966?	<b>9a</b>			
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?	<b>9b</b>			
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:				
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>			
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>			
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:				
<b>a</b>	Gross income from members or shareholders	<b>11a</b>			
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>11b</b>			
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>			
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>			
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>				
<b>a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	<b>13a</b>			
<b>b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<b>13b</b>			
<b>c</b>	Enter the amount of reserves on hand	<b>13c</b>			
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?	<b>14a</b>			<b>X</b>
<b>b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	<b>14b</b>			

**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
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
	<b>1a</b> 20		
<b>b</b>	Enter the number of voting members included in line 1a, above, who are independent		
	<b>1b</b> 20		
<b>2</b>	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?		<b>X</b>
<b>3</b>	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?	<b>X</b>	
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		<b>X</b>
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		<b>X</b>
<b>6</b>	Did the organization have members or stockholders?		<b>X</b>
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		<b>X</b>
<b>b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		<b>X</b>
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b>	The governing body?	<b>X</b>	
<b>b</b>	Each committee with authority to act on behalf of the governing body?	<b>X</b>	
<b>9</b>	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		<b>X</b>

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

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

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed ► **NONE**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website  Another's website  Upon request  Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► **SUSAN MILLER** **1416 S. MARTIN LUTHER KING, JR. AVE**  
**SALISBURY** **NC 28144** **704-637-2870**

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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) <b>TED GOINS, JR.</b> ..... <b>PRESIDENT</b>	<b>40.00</b> ..... <b>1.00</b>	<b>X</b>		<b>X</b>				<b>253,247</b>	<b>0</b>	<b>8,557</b>
(2) <b>REV. SUSAN BAME</b> ..... <b>DIRECTOR</b>	<b>1.00</b> ..... <b>1.00</b>	<b>X</b>						<b>0</b>	<b>0</b>	<b>0</b>
(3) <b>REV. DR. LEONARD BOLICK</b> ..... <b>DIRECTOR</b>	<b>1.00</b> ..... <b>1.00</b>	<b>X</b>						<b>0</b>	<b>0</b>	<b>0</b>
(4) <b>JERRY BRAMLEY</b> ..... <b>DIRECTOR</b>	<b>1.00</b> ..... <b>1.00</b>	<b>X</b>						<b>0</b>	<b>0</b>	<b>0</b>
(5) <b>DR. JOHN BUMGARNER</b> ..... <b>DIRECTOR</b>	<b>1.00</b> ..... <b>1.00</b>	<b>X</b>						<b>0</b>	<b>0</b>	<b>0</b>
(6) <b>JOYCE ERICSON</b> ..... <b>DIRECTOR</b>	<b>1.00</b> ..... <b>1.00</b>	<b>X</b>						<b>0</b>	<b>0</b>	<b>0</b>
(7) <b>REV. MARY FINKLEA</b> ..... <b>DIRECTOR</b>	<b>1.00</b> ..... <b>1.00</b>	<b>X</b>						<b>0</b>	<b>0</b>	<b>0</b>
(8) <b>JOY FISHER</b> ..... <b>DIRECTOR</b>	<b>1.00</b> ..... <b>1.00</b>	<b>X</b>						<b>0</b>	<b>0</b>	<b>0</b>
(9) <b>REV. DR. THOMAS HURLOCKER</b> ..... <b>DIRECTOR</b>	<b>1.00</b> ..... <b>1.00</b>	<b>X</b>						<b>0</b>	<b>0</b>	<b>0</b>
(10) <b>JOYCELYN JOHNSON</b> ..... <b>DIRECTOR</b>	<b>1.00</b> ..... <b>1.00</b>	<b>X</b>						<b>0</b>	<b>0</b>	<b>0</b>
(11) <b>KAYE LEONARD</b> ..... <b>DIRECTOR</b>	<b>1.00</b> ..... <b>1.00</b>	<b>X</b>						<b>0</b>	<b>0</b>	<b>0</b>

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(12) <b>BETTY LOHR</b>	1.00									
DIRECTOR	1.00	X					0	0	0	
(13) <b>DR. SHANNON MATHEWS</b>	1.00									
DIRECTOR	1.00	X					0	0	0	
(14) <b>LORETTA MEYERS</b>	1.00									
DIRECTOR	1.00	X					0	0	0	
(15) <b>DOUG NELSON</b>	1.00									
DIRECTOR	1.00	X					0	0	0	
(16) <b>DEREK SHOEMAKE</b>	1.00									
DIRECTOR	1.00	X					0	0	0	
(17) <b>STEVE STANFIELD-SWITZER</b>	1.00									
DIRECTOR	1.00	X					0	0	0	
(18) <b>ERIC VAUGHN</b>	1.00									
DIRECTOR	1.00	X					0	0	0	
(19) <b>REV. DR. HERMAN YOOS, III</b>	1.00									
DIRECTOR	1.00	X					0	0	0	
<b>1b Sub-total</b>							<b>253,247</b>		<b>8,557</b>	
<b>c Total from continuation sheets to Part VII, Section A</b>							<b>601,190</b>	<b>110,166</b>	<b>39,641</b>	
<b>d Total (add lines 1b and 1c)</b>							<b>854,437</b>	<b>110,166</b>	<b>48,198</b>	

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **4**

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

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
<b>APPLIED DATA TECHNOLOGIES CHARLOTTE NC 28227</b>	<b>8515 CROWN CRESCENT CT IT SERVICES</b>	<b>107,461</b>

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **1**



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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(12) <b>J. WHITE IDDINGS, JR.</b>	1.00									
<b>DIRECTOR</b>	1.00	X					0	0	0	
(13) <b>ROSEBUD REUBEL</b>	1.00									
<b>DIRECTOR</b>	1.00	X					0	0	0	
(14) <b>KESHA SMITH</b>	40.00									
<b>CHIEF OPER. OFFICER</b>	1.00			X			141,323	0	6,896	
(15) <b>ELIZABETH KUHN</b>	40.00									
<b>DIRECTOR R&amp;D</b>	1.00			X			126,562	0	6,637	
(16) <b>MYRA GRIFFIE</b>	40.00									
<b>CHIEF OPER. OFFICER</b>	1.00			X			0	110,166	5,353	
(17) <b>KIRBY NICKERSON</b>	40.00									
<b>TREASURER/CFO</b>	1.00			X			82,765	0	6,068	
(18) <b>KAREN MADDRY</b>	40.00									
<b>SECRETARY</b>	1.00			X			54,612	0	6,135	
(19) <b>PATRICK FOLEY</b>	40.00						SEE SCHEDULE O			
<b>CHIEF OPER. OFFICER</b>	1.00					X	144,119	0	6,984	
<b>1b Sub-total</b>							<b>549,381</b>	<b>110,166</b>	<b>38,073</b>	
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>										

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

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

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(12) <b>ANNETTE CONRAD</b> ..... <b>TREASURER</b>	<b>40.00</b> ..... <b>1.00</b>						<b>X</b>	<b>51,809</b>	<b>0</b>	<b>1,568</b>
(13)								<b>SEE SCHEDULE O</b>		
(14)										
(15)										
(16)										
(17)										
(18)										
(19)										
<b>1b Sub-total</b> .....								<b>51,809</b>		<b>1,568</b>
<b>c Total from continuation sheets to Part VII, Section A</b> .....										
<b>d Total (add lines 1b and 1c)</b> .....										

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

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

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

**Part VIII Statement of Revenue**

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

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	<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>	100,000				
	<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>	77,254				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$					
	<b>h Total.</b> Add lines 1a-1f		177,254			
Program Service Revenue	<b>2a</b> <b>MANAGEMENT FEE INCOME</b>					
	<b>b</b>					
	<b>c</b>					
	<b>d</b>					
	<b>e</b>					
	<b>f</b> All other program service revenue					
	<b>g Total.</b> Add lines 2a-2f		3,622,906	3,622,906		
Other Revenue	<b>3</b> Investment income (including dividends, interest, and other similar amounts)		46,333		46,333	
	<b>4</b> Income from investment of tax-exempt bond proceeds					
	<b>5</b> Royalties					
	<b>6a</b> Gross rents	(i) Real				
		(ii) Personal				
	<b>b</b> Less: rental exps.					
	<b>c</b> Rental inc. or (loss)					
	<b>d</b> Net rental income or (loss)					
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
	<b>b</b> Less: cost or other basis & sales exps.					
	<b>c</b> Gain or (loss)					
	<b>d</b> Net gain or (loss)					
	<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>b</b>				
<b>c</b> Net income or (loss) from fundraising events						
<b>9a</b> Gross income from gaming activities. See Part IV, line 19	<b>a</b>					
<b>b</b> Less: direct expenses	<b>b</b>					
<b>c</b> Net income or (loss) from gaming activities						
<b>10a</b> Gross sales of inventory, less returns and allowances	<b>a</b>					
<b>b</b> Less: cost of goods sold	<b>b</b>					
<b>c</b> Net income or (loss) from sales of inventory						
Miscellaneous Revenue	Busn. Code					
<b>11a</b> <b>OTHER INCOME</b>		12,132	12,132			
<b>b</b>						
<b>c</b>						
<b>d</b> All other revenue						
<b>e Total.</b> Add lines 11a-11d		12,132				
<b>12 Total revenue.</b> See instructions.		3,858,625	3,635,038	0	46,333	

**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).

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	849,207	171,573	536,759	140,875
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	24,015	4,488	15,494	4,033
7 Other salaries and wages	1,509,794	256,936	995,894	256,964
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	171,511	160,008		11,503
10 Payroll taxes	164,605	164,605		
11 Fees for services (non-employees):				
a Management				
b Legal	31,624		31,624	
c Accounting	34,607		34,607	
d Lobbying				
e Professional fundraising services. See Part IV, line 7				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)				
12 Advertising and promotion	34,448	765	7,568	26,115
13 Office expenses	87,141	13,065	22,997	51,079
14 Information technology				
15 Royalties				
16 Occupancy	26,400	26,400		
17 Travel	72,861	23,528	26,592	22,741
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	4,502	4,502		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	51,471	51,471		
23 Insurance	21,217		21,217	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <b>CONTRACTED SERVICES</b>	252,542	210,521	41,284	737
b <b>SUPPLIES &amp; OTHER EXPENSES</b>	113,072	14,278	88,152	10,642
c <b>INVENTORIED SMALL EQUIP</b>	51,124	41,387	2,553	7,184
d <b>INTERCOMPANY EXPENSES</b>	50,000	50,000		
e All other expenses	156,317	45,343	94,632	16,342
25 Total functional expenses. Add lines 1 through 24e	3,706,458	1,238,870	1,919,373	548,215
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**Check if Schedule O contains a response to any question in this Part X 

		(A) Beginning of year		(B) End of year	
<b>Assets</b>	1	Cash—non-interest bearing	3,996,263	1	3,918,297
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	234,058	4	274,995
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other 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). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net	41,463,482	7	67,482,512
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	327,745	9	243,429
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,558,694		
	b	Less: accumulated depreciation	10b 609,011	10c	949,683
	11	Investments—publicly traded securities	840,978	11	1,292,166
	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	2,870,151	15	7,370,334
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	49,809,885	16	81,531,416	
<b>Liabilities</b>	17	Accounts payable and accrued expenses	1,004,851	17	1,375,558
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities	42,056,269	20	73,343,014
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other 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	403,415	23	287,128
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	3,269,064	25	2,086,769
	26	<b>Total liabilities.</b> Add lines 17 through 25	46,733,599	26	77,092,469
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>				
	27	Unrestricted net assets	3,076,286	27	4,428,931
	28	Temporarily restricted net assets		28	10,016
	29	Permanently restricted net assets		29	
	<b>Organizations that do not follow SFAS 117 (ASC 958), 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>	3,076,286	33	4,438,947	
34	<b>Total liabilities and net assets/fund balances</b>	49,809,885	34	81,531,416	

**Part XI Reconciliation of Net Assets**

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

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	<b>3,858,625</b>
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	<b>3,706,458</b>
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	<b>152,167</b>
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	<b>3,076,286</b>
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	<b>28,199</b>
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	<b>1,182,295</b>
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	<b>4,438,947</b>

**Part XII Financial Statements and Reporting**

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

		Yes	No
<b>1</b>	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.		
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		<b>X</b>
<b>2b</b>	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	<b>X</b>	
<b>2c</b>	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.	<b>X</b>	
<b>3a</b>	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?		<b>X</b>
<b>3b</b>	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

2012

Open to Public Inspection

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.

Department of the Treasury Internal Revenue Service

Name of the organization: LSA MANAGEMENT, INC. Employer identification number: 20-1457236

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).
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).
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).
8 A community trust described in section 170(b)(1)(A)(vi).
9 X 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...
10 An organization organized and operated exclusively to test for public safety.
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...
a Type I b Type II c Type III-Functionally integrated d Type III-Non-functionally integrated
e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons...
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?

Table with 3 rows (11g(i), 11g(ii), 11g(iii)) and 2 columns (Yes, No)

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

Table with 7 main columns: (i) Name of supported organization, (ii) EIN, (iii) Type of organization, (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 monetary support. Rows (A) through (E) and Total.

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

Schedule A (Form 990 or 990-EZ) 2012

**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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....						
<b>5</b> 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) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>7</b> Amounts from line 4 .....						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....						
<b>11 Total support.</b> 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** ▶

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

<b>14</b> Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) .....	<b>14</b>	%
<b>15</b> Public support percentage from 2011 Schedule A, Part II, line 14 .....	<b>15</b>	%

**16a 33 1/3% support test—2012.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶

**b 33 1/3% support test—2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶

**17a 10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶

**b 10%-facts-and-circumstances test—2011.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶

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



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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	100,200	10,962	120	69,003	177,254	357,539
<b>2</b> 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	2,802,145	2,909,059	3,267,459	3,365,909	3,635,038	15,979,610
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5	2,902,345	2,920,021	3,267,579	3,434,912	3,812,292	16,337,149
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</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						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support</b> (Subtract line 7c from line 6.)						16,337,149

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>9</b> Amounts from line 6	2,902,345	2,920,021	3,267,579	3,434,912	3,812,292	16,337,149
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	16,249	58,738	87,596	52,119	46,333	261,035
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b	16,249	58,738	87,596	52,119	46,333	261,035
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)		410				410
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)	2,918,594	2,979,169	3,355,175	3,487,031	3,858,625	16,598,594

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

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

<b>15</b> Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	98.42%
<b>16</b> Public support percentage from 2011 Schedule A, Part III, line 15	<b>16</b>	97.98%

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

<b>17</b> Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	2%
<b>18</b> Investment income percentage from 2011 Schedule A, Part III, line 17	<b>18</b>	2%

**19a 33 1/3% support tests—2012.** 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—2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

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

**PART III, LINE 12 - OTHER INCOME DETAIL**

**OTHER INCOME** **\$ 410**

**Schedule B**  
**(Form 990, 990-EZ,**  
**or 990-PF)**Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**

OMB No. 1545-0047

**2012**▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.****Name of the organization****LSA MANAGEMENT, INC.****Employer identification number****20-1457236****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 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
- <sup>1</sup>
- /
- <sub>3</sub>
- % 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, total 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 total 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 Part I, 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).

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2012)

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990. See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization: LSA MANAGEMENT, INC. Employer identification number: 20-1457236

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

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

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

Questions 1-9 regarding conservation easements. Includes checkboxes for purposes and a table for 'Held at the End of the Tax Year' with rows 2a-2d.

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

Questions 1a-1b and 2 regarding art and historical treasures. Includes dollar amounts for revenues and assets.

**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 XIII.

**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 XIII and complete the following table:

	Amount
<b>c</b> Beginning balance .....	<b>1c</b>
<b>d</b> Additions during the year .....	<b>1d</b>
<b>e</b> Distributions during the year .....	<b>1e</b>
<b>f</b> Ending balance .....	<b>1f</b>

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

**b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

**Part V Endowment Funds. Complete if the 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
<b>1a</b> Beginning of year balance .....					
<b>b</b> Contributions .....					
<b>c</b> Net investment earnings, gains, and losses .....					
<b>d</b> Grants or scholarships .....					
<b>e</b> Other expenditures for facilities and programs .....					
<b>f</b> Administrative expenses .....					
<b>g</b> End of year balance .....					

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment ▶ ..... %
- b** Permanent endowment ▶ ..... %
- c** Temporarily restricted endowment ▶ ..... %

The percentages in lines 2a, 2b, and 2c should equal 100%.

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

- (i)** unrelated organizations  Yes  No
- (ii)** related organizations  Yes  No

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land .....				
<b>b</b> Buildings .....				
<b>c</b> Leasehold improvements .....				
<b>d</b> Equipment .....		<b>1,291,417</b>	<b>393,908</b>	<b>897,509</b>
<b>e</b> Other .....		<b>267,277</b>	<b>215,103</b>	<b>52,174</b>

**Total.** Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) **949,683**

**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) <b>BOND FUNDS</b>	<b>3,507,440</b>
(2) <b>DEFERRED BOND ISSUE COST</b>	<b>1,784,578</b>
(3) <b>INTERCOMPANY</b>	<b>1,715,395</b>
(4) <b>OTHER ASSETS</b>	<b>200,000</b>
(5) <b>BOND ISSUE DISCOUNT</b>	<b>111,820</b>
(6) <b>CIP</b>	<b>51,101</b>
(7)	
(8)	
(9)	
(10)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.)	<b>7,370,334</b>

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

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2) <b>INTEREST RATE SWAP</b>	<b>2,086,769</b>	
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.)	<b>2,086,769</b>	

2. FIN 48 (ASC 740) Footnote. In Part XIII, 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). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements		1	5,069,119
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains on investments	2a	28,199	
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d	1,182,295	
e	Add lines 2a through 2d		2e	1,210,494
3	Subtract line 2e from line 1		3	3,858,625
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 XIII.)	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	3,858,625

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

1	Total expenses and losses per audited financial statements		1	3,706,458
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 XIII.)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	3,706,458
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 XIII.)	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	3,706,458

**Part XIII 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, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

**PART X - FIN 48 FOOTNOTE**

SUBSTANTIALLY ALL AFFILIATES OF LSA AND LFS ARE ORGANIZED AS NORTH CAROLINA NOT-FOR-PROFIT ORGANIZATIONS AND ARE EXEMPT FROM INCOME TAXES UNDER INTERNAL REVENUE CODE (IRC) SECTION 501(C)(3) UNDER A GROUP EXEMPTION OF THE ELCA. LFS REAL PROPERTIES, INC. IS EXEMPT UNDER IRC SECTION 501(C)(2).

THE ORGANIZATIONS RECORD A LIABILITY FOR ANY TAX POSITION TAKEN THAT IS BENEFICIAL TO THE ORGANIZATIONS, INCLUDING ANY RELATED INTEREST AND PENALTIES, WHEN IT IS MORE LIKELY THAN NOT THE POSITION OF MANAGEMENT WITH RESPECT TO A TRANSACTION OR CLASS OF TRANSACTIONS WILL BE OVERTURNED BY A TAXING AUTHORITY UPON EXAMINATION. MANAGEMENT BELIEVES THERE ARE NO SUCH POSITIONS AS OF SEPTEMBER 30, 2013 OR 2012. TAX YEARS SUBSEQUENT TO 2008 REMAIN SUBJECT TO EXAMINATION BY MAJOR TAX JURISDICTIONS.

PART XI, LINE 2D - REVENUE AMOUNTS INCLUDED IN FINANCIALS - OTHER

**Part XIII Supplemental Information** (continued)

**CHANGE IN FAIR VALUE OF INTEREST RATE SWAP AGREEMENT** \$ **1,182,295**



**SCHEDULE J**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**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

**2012**

Open to Public Inspection

**LSA MANAGEMENT, INC.**

Employer identification number

**20-1457236**

**Part I Questions Regarding Compensation**

	Yes	No
<b>1a</b> Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<b>b</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 .....	<b>1b</b>	
<b>2</b> 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? .....	<b>2</b>	
<b>3</b> Indicate which, if any, of the following the filing organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. <input type="checkbox"/> Compensation committee <input type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations <input type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee		
<b>4</b> 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: <b>a</b> Receive a severance payment or change-of-control payment? .....	<b>4a</b>	<b>X</b>
<b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan? .....	<b>4b</b>	<b>X</b>
<b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement? .....	<b>4c</b>	<b>X</b>
If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.		
<b>Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.</b>		
<b>5</b> 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: <b>a</b> The organization? .....	<b>5a</b>	<b>X</b>
<b>b</b> Any related organization? .....	<b>5b</b>	<b>X</b>
If "Yes" to line 5a or 5b, describe in Part III.		
<b>6</b> 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: <b>a</b> The organization? .....	<b>6a</b>	<b>X</b>
<b>b</b> Any related organization? .....	<b>6b</b>	<b>X</b>
If "Yes" to line 6a or 6b, describe in Part III.		
<b>7</b> 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 .....	<b>7</b>	<b>X</b>
<b>8</b> 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 .....	<b>8</b>	<b>X</b>
<b>9</b> If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? .....	<b>9</b>	

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

Schedule J (Form 990) 2012

**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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(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 as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 TED GOINS, JR. PRESIDENT	(i)	253,247	0	0	2,493	6,064	261,804	0
	(ii)	0	0	0	0	0	0	0
2 PATRICK FOLEY CHIEF OPER. OFFICER	(i)	144,119	0	0	1,441	5,543	151,103	0
	(ii)	0	0	0	0	0	0	0
3 ANNETTE CONRAD TREASURER	(i)	51,809	0	0	514	1,054	53,377	0
	(ii)	0	0	0	0	0	0	0
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							



**SCHEDULE K  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information on Tax-Exempt Bonds**

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

Name of the organization

**LSA MANAGEMENT, INC.**

Employer identification number

**20-1457236**

**Part I Bond Issues**

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
<b>A NC MEDICAL CARE COMMISSION - 2012</b>	<b>52-1309402</b>	<b>65821DNW7</b>	<b>12/05/12</b>	<b>44,790,000</b>			<b>X</b>		<b>X</b>		<b>X</b>
<b>B NC MEDICAL CARE COMMISSION - 2012</b>	<b>52-1309402</b>	<b>65821DNW7</b>	<b>12/05/12</b>	<b>26,254,401</b>			<b>X</b>		<b>X</b>		<b>X</b>
<b>C</b>											
<b>D</b>											

**Part II Proceeds**

	A		B		C		D	
<b>1</b> Amount of bonds retired	<b>220,000</b>							
<b>2</b> Amount of bonds legally defeased								
<b>3</b> Total proceeds of issue	<b>44,790,000</b>		<b>13,098,014</b>					
<b>4</b> Gross proceeds in reserve funds			<b>13,156,387</b>					
<b>5</b> Capitalized interest from proceeds								
<b>6</b> Proceeds in refunding escrows								
<b>7</b> Issuance costs from proceeds	<b>893,373</b>		<b>497,850</b>					
<b>8</b> Credit enhancement from proceeds								
<b>9</b> Working capital expenditures from proceeds								
<b>10</b> Capital expenditures from proceeds								
<b>11</b> Other spent proceeds								
<b>12</b> Other unspent proceeds								
<b>13</b> Year of substantial completion								
	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
<b>14</b> Were the bonds issued as part of a current refunding issue?	<b>X</b>			<b>X</b>				
<b>15</b> Were the bonds issued as part of an advance refunding issue?		<b>X</b>		<b>X</b>				
<b>16</b> Has the final allocation of proceeds been made?		<b>X</b>		<b>X</b>				
<b>17</b> Does the organization maintain adequate books and records to support the final allocation of proceeds?	<b>X</b>		<b>X</b>					

**Part III Private Business Use**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b> Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		<b>X</b>		<b>X</b>				
<b>2</b> Are there any lease arrangements that may result in private business use of bond-financed property?		<b>X</b>		<b>X</b>				

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

**Part III Private Business Use (Continued)**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property? .....		<b>X</b>		<b>X</b>				
<b>b</b> If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
<b>c</b> Are there any research agreements that may result in private business use of bond-financed property? .....		<b>X</b>		<b>X</b>				
<b>d</b> If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? ..								
<b>4</b> Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government .....								
<b>5</b> Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government .....								
<b>6</b> Total of lines 4 and 5 .....								
<b>7</b> Does the bond issue meet the private security or payment test? .....		<b>X</b>		<b>X</b>				
<b>8a</b> Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		<b>X</b>		<b>X</b>				
<b>b</b> If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of .....								
<b>c</b> If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? .....								
<b>9</b> Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? .....	<b>X</b>		<b>X</b>					

**Part IV Arbitrage**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b> Has the issuer filed Form 8038-T? .....		<b>X</b>		<b>X</b>				
<b>2</b> If "No" to line 1, did the following apply? .....								
<b>a</b> Rebate not due yet? .....		<b>X</b>		<b>X</b>				
<b>b</b> Exception to rebate? .....		<b>X</b>		<b>X</b>				
<b>c</b> No rebate due? .....		<b>X</b>		<b>X</b>				
If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed .....								
<b>3</b> Is the bond issue a variable rate issue? .....		<b>X</b>	<b>X</b>					
<b>4a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? .....		<b>X</b>		<b>X</b>				
<b>b</b> Name of provider .....								
<b>c</b> Term of hedge .....								
<b>d</b> Was the hedge superintegrated? .....								
<b>e</b> Was the hedge terminated? .....								

**Part IV Arbitrage (Continued)**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>5a</b> Were gross proceeds invested in a guaranteed investment contract (GIC)?		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>				
<b>b</b> Name of provider								
<b>c</b> Term of GIC								
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
<b>6</b> Were any gross proceeds invested beyond an available temporary period?		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>				
<b>7</b> Has the organization established written procedures to monitor the requirements of section 148?		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>				

**Part V Procedures To Undertake Corrective Action**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Part VI Supplemental Information.** Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

**SCHEDULE K - PURPOSE OF ISSUE DESCRIPTION**

**NC MEDICAL CARE COMMISSION - 2012A**

**REFUND THE OUTSTANDING SERIES 2009 AND SERIES 2010 BONDS AS WELL AS OTHER LOANS AND FUND DEBT SERVICE RESERVE FUND AND ISSUANCE COSTS.**

**NC MEDICAL CARE COMMISSION - 2012B**

**FINANCE THE COST OF CONSTRUCTION OF A 120 BED NURSING FACILITY IN HICKORY, NORTH CAROLINA, A 100 BED NURSING FACILITY IN CLEMMONSVILLE, NORTH CAROLINA, ROUTINE CAPITAL IMPROVEMENTS AND RENOVATIONS TO OTHER FACILITIES.**

**SCHEDULE K - ADDITIONAL INFORMATION**

**A SERIES 1998 BOND WAS ALSO ISSUED BY THE NORTH CAROLINA MEDICAL CARE COMMISSION; HOWEVER, THE BOND WAS NOT REQUIRED TO BE REPORTED AS IT DID NOT MEET THE FILING REQUIREMENTS OF HAVING AN OUTSTANDING PRINCIPAL BALANCE IN EXCESS OF \$100,000 AND BEING ISSUED AFTER DECEMBER 31, 2002.**

**Part VI Supplemental Information.** Complete this part to provide additional information for responses to questions on Schedule K (see instructions) (Continued)

Lined area for supplemental information.

SCHEDULE L (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Name of the organization

Transactions With Interested Persons

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

OMB No. 1545-0047

2012

Open To Public Inspection

LSA MANAGEMENT, INC.

Employer identification number 20-1457236

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

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

Table with 4 main columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No). Rows 1-6.

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 \$
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

Table with 9 main columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the org., (e) Original principal amount, (f) Balance due, (g) In default?, (h) Approved by board or committee?, (i) Written agreement?. Rows 1-10.

Total \$

Part III Grants or Assistance Benefiting Interested Persons.

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

Table with 5 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of assistance, (d) Type of assistance, (e) Purpose of assistance. Rows 1-10.



**Part IV Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of org. revenues?	
				Yes	No
(1) <b>CHRIS SMITH</b>	<b>FAMILY MEMBER</b>	<b>300</b>	<b>PEST CONTROL</b>		<b>X</b>
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

**Part V Supplemental Information**

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

**SCHEDULE L, PART V - ADDITIONAL INFORMATION**

**THE ORGANIZATION CONTRACTED CHRIS SMITH OF SECURITY PEST CONTROL TO PERFORM PEST CONTROL SERVICES FOR THE ORGANIZATION. CHRIS SMITH IS THE HUSBAND OF KESHA SMITH, CHIEF OPERATING OFFICER OF THE ORGANIZATION.**

**SCHEDULE O**  
**(Form 990 or 990-EZ)**Department of the Treasury  
Internal Revenue Service

Name of the organization

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

▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

**2012****Open to Public  
Inspection****LSA MANAGEMENT, INC.**

Employer identification number

**20-1457236****FORM 990 - ORGANIZATION'S MISSION OR MOST SIGNIFICANT ACTIVITIES**

LSA MANAGEMENT, INC. PROVIDES ADMINISTRATIVE SUPPORT, MANAGEMENT, ACCOUNTING, INFORMATION TECHNOLOGY, AND RESOURCE DEVELOPMENT SERVICES TO LUTHERAN SERVICES FOR THE AGING, INC. AND ITS AFFILIATES. LUTHERAN SERVICES FOR THE AGING, INC. (LSA) IS A MINISTRY OF THE NORTH CAROLINA SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA. THE ORGANIZATION STRIVES TO EXPRESS GOD'S LOVE IN CHRIST TO THOSE WE SERVE BY: PROVIDING MULTIPLE SERVICES FOR SENIORS INCLUDING NURSING CARE, ADULT DAY CARE, AND RETIREMENT LIVING; MINISTERING TO THEIR NEEDS IN TRADITIONAL AND INNOVATIVE WAYS; AND DEMONSTRATING RESPONSIBLE STEWARDSHIP.

**FORM 990, PART VI - ADDITIONAL INFORMATION****WHISTLEBLOWER POLICY**

LUTHERAN SERVICES FOR THE AGING, INC. & AFFILIATES ARE COMMITTED TO THEIR ROLE IN PREVENTING HEALTH CARE FRAUD AND ABUSE AND COMPLYING WITH APPLICABLE STATE AND FEDERAL LAWS RELATED TO HEALTH CARE FRAUD AND ABUSE. THE CIVIL FALSE CLAIMS ACT PROVIDES FOR PROTECTION FOR EMPLOYEES FROM RETALIATION. ANY EMPLOYEE WHO IS DISCHARGED, DEMOTED, SUSPENDED, THREATENED, HARASSED, OR DISCRIMINATED AGAINST IN TERMS AND CONDITIONS OF EMPLOYMENT BECAUSE OF LAWFUL ACTS CONDUCTED IN FURTHERANCE OF AN ACTION UNDER THE FCA MAY BRING AN ACTION IN FEDERAL DISTRICT COURT SEEKING REINSTATEMENT, TWO TIMES THE AMOUNT OF BACK PAY PLUS INTEREST, AND OTHER ENUMERATED COSTS, DAMAGES, AND FEES.

**DOCUMENTATION RETENTION AND DESTRUCTION POLICY**

Name of the organization

LSA MANAGEMENT, INC.

Employer identification number

20-1457236

EACH ENTITY WITHIN THE LUTHERAN SERVICES FOR THE AGING, INC. & AFFILIATES GROUP WILL ENSURE THAT RECORDS ARE RETAINED FOR THE REQUIRED TIME PERIODS ESTABLISHED BY STATE LAWS, FEDERAL REGULATIONS, AND PAYOR REQUIREMENTS TO MEET THE NEEDS OF LEGITIMATE USERS. AT THE END OF THE RETENTION PERIOD, EACH ENTITY WILL ENSURE THAT DESTRUCTION OF RECORDS IS PERFORMED ACCORDING TO SPECIFIC PROCEDURE AND AUTHORIZATION WITH APPROPRIATE SUPERVISION OF DESTRUCTION. THE PROPER METHOD OF DESTRUCTION FOR ANY PAPER RECORD IS BY SHREDDING OR INCINERATION ONLY. PRIOR TO THE DESTRUCTION OF ANY FACILITY RECORDS, WHETHER ORIGINAL OR COMPUTER MEDIA, A CHECK WILL BE MADE TO ENSURE THE RETENTION PERIOD HAS EXPIRED AS DEFINED BY STATE LAWS AND FACILITY POLICIES. ANY RECORDS IN OPEN INVESTIGATION, AUDIT, OR LITIGATION WILL NOT BE DESTROYED. FOR FACILITIES USING ELECTRONIC MEDICAL RECORDS, RECORDS WILL BE STORED IN THE SYSTEM INDEFINITELY AND THE DESTRUCTION PROCESS WILL NOT APPLY.

FORM 990, PART VI, LINE 3 - MANAGEMENT DELEGATED

LSA MANAGEMENT, INC. PROVIDES ADMINISTRATIVE SUPPORT, MANAGEMENT, ACCOUNTING, INFORMATION TECHNOLOGY, AND RESOURCE DEVELOPMENT SERVICES TO LUTHERAN SERVICES FOR THE AGING AND ITS AFFILIATES. SEE SCHEDULE R, PART V.

FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990  
THE FORM 990 IS REVIEWED BY THE CHIEF FINANCE OFFICER AND MADE AVAILABLE TO THE BOARD OF DIRECTORS FOR REVIEW AND COMMENT. ANY MATTERS ARE RAISED TO THE OUTSIDE ACCOUNTANTS FOR COLLABORATION AND ULTIMATE RESOLUTION.

FORM 990, PART VI, LINE 12C - ENFORCEMENT OF CONFLICTS POLICY

Name of the organization

LSA MANAGEMENT, INC.

Employer identification number

20-1457236

BOARD MEMBERS RECEIVE A BOARD MANUAL AS PART OF ORIENTATION WHEN THEY JOIN THE BOARD, WHICH INCLUDES THE CORPORATE COMPLIANCE POLICY AND BYLAWS. BOTH THE POLICY AND THE BYLAWS ADDRESS CONFLICT OF INTEREST. THEREAFTER, ANNUALLY, THE BOARD OF DIRECTORS RECEIVE CORPORATE COMPLIANCE TRAINING AND COMPLETE A CONFLICT OF INTEREST DISCLOSURE.

FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL ALL COMPENSATION LIMITS ARE COMPARED TO STATE AND NATIONAL RANGES BASED ON FACILITY SIZE AND EXPERIENCE OF STAFF. THE BOARD OF DIRECTORS APPROVE THE COMPENSATION OF THE PRESIDENT WHICH IS PAID BY THE MANAGING ORGANIZATION OF THE CONTROL GROUP.

FORM 990, PART VI, LINE 15B - COMPENSATION PROCESS FOR OFFICERS ALL COMPENSATION LIMITS ARE COMPARED TO STATE AND NATIONAL RANGES BASED ON FACILITY SIZE AND EXPERIENCE OF STAFF. THE PRESIDENT APPROVES THE COMPENSATION OF OFFICERS AND KEY EMPLOYEES. OFFICERS OF THE CONTROLLED GROUP ARE PAID BY THE MANAGING ORGANIZATION AND CERTAIN ORGANIZATIONS WITHIN THE CONTROL GROUP ALSO COMPENSATE KEY EMPLOYEES DIRECTLY.

FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION FORMS 990 ARE POSTED ON GUIDESTAR AND AVAILABLE UPON REQUEST AT THE LSA OFFICE LOCATED IN SALISBURY, NC.

FORM 990, PART VII - ADDITIONAL INFORMATION

FORMER OFFICERS

PATRICK FOLEY SERVED AS CHIEF OPERATING OFFICER UNTIL 10/12/12 AND HIS 2012 W-2 INCOME IS PROPERLY REPORTED ON PART VII.

Name of the organization

LSA MANAGEMENT, INC.

Employer identification number

20-1457236

KESHA SMITH THEN TOOK OVER THE CHIEF OPERATING OFFICER POSITION, WHICH REPLACED HER PREVIOUS CHIEF ADMIN OFFICER POSITION.

ANNETTE CONRAD SERVED AS TREASURER UNTIL 2/10/12 AND HER 2012 W-2 INCOME IS PROPERLY REPORTED ON PART VII.

PART VII, SECTION A - COLUMN (B) HOURS FOR RELATED ORGANIZATIONS BOARD MEMBERS AND OFFICERS DEVOTE TIME TO ALL ENTITIES WITHIN THE CONTROL GROUP.

FORM 990, PART XI, LINE 9 - RECONCILIATION OF CHANGES - OTHER

CHANGE IN FAIR VALUE OF INTEREST RATE SWAP AGREEMENT \$ 1,182,295

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

▶ **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.**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**LSA MANAGEMENT, INC.**

Employer identification number  
**20-1457236**

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

(a) Name, address, and EIN (if applicable) 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) .....					

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to 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) <b>ABUNDANT LIVING ADULT DAY SERVICES, PO BOX 947 56-1884652 SALISBURY NC 28145</b>	<b>ADULT DAY</b>	<b>NC</b>	<b>501C3</b>	<b>9</b>	<b>LSA, INC</b>	<b>X</b>	
(2) <b>LFS REAL PROPERTIES, INC PO BOX 2369 58-1820383 SALISBURY NC 28145</b>	<b>REAL ESTAT</b>	<b>NC</b>	<b>501C2</b>		<b>LFS</b>	<b>X</b>	
(3) <b>LSA ELMS AT TANGLEWOOD, INC PO BOX 947 26-3735637 SALISBURY NC 28145</b>	<b>ASSIST LVG</b>	<b>NC</b>	<b>501C3</b>	<b>9</b>	<b>LSA, INC</b>	<b>X</b>	
(4) <b>LSA ELMS PROPERTY, INC PO BOX 947 26-3739962 SALISBURY NC 28145</b>	<b>LEASING</b>	<b>NC</b>	<b>501C3</b>	<b>9</b>	<b>LSA, INC</b>	<b>X</b>	
(5) <b>LSA PHARMACY, INC PO BOX 947 20-1457251 SALISBURY NC 28145</b>	<b>PHARMACY</b>	<b>NC</b>	<b>501C3</b>	<b>9</b>	<b>LSA, INC</b>	<b>X</b>	

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.**

**2012**

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

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**LSA MANAGEMENT, INC.**

Employer identification number  
**20-1457236**

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

(a) Name, address, and EIN (if applicable) 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) .....					

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to 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) LUTHERAN FAMILY SERVICES IN THE PO BOX 2369 56-1286323 SALISBURY NC 28145	COMM. SVC	NC	501C3	11B	LSA, INC	X	
(2) LUTHERAN HOME - ALBEMARLE, INC PO BOX 947 20-1457298 SALISBURY NC 28145	NURSING	NC	501C3	9	LSA, INC	X	
(3) LUTHERAN HOME - FORSYTH COUNTY, INC PO BOX 947 26-3328029 SALISBURY NC 28145	NURSING	NC	501C3	9	LSA, INC	X	
(4) LUTHERAN HOME - HICKORY WEST, INC PO BOX 947 20-1457410 SALISBURY NC 28145	NURSING	NC	501C3	9	LSA, INC	X	
(5) LUTHERAN HOME - HICKORY, INC PO BOX 947 20-1457341 SALISBURY NC 28145	NURSING	NC	501C3	9	LSA, INC	X	

**SCHEDULE R  
(Form 990)****Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.****2012**▶ **Attach to Form 990.**▶ **See separate instructions.****Open to Public  
Inspection**Department of the Treasury  
Internal Revenue Service

Name of the organization

**LSA MANAGEMENT, INC.**Employer identification number  
**20-1457236****Part I Identification of Disregarded Entities** (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) 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) .....					

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to 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) LUTHERAN HOME - WILMINGTON, INC PO BOX 947 26-0158686 SALISBURY NC 28145	NURSING	NC	501C3	9	LSA, INC	X	
(2) LUTHERAN HOME - WINSTON-SALEM, INC PO BOX 947 56-1500212 SALISBURY NC 28145	NURSING	NC	501C3	9	LSA, INC	X	
(3) LUTHERAN HOME ALBEMARLE PROPERTY, PO BOX 947 20-1457273 SALISBURY NC 28145	LEASING	NC	501C3	9	LSA, INC	X	
(4) LUTHERAN HOME AT TRINITY OAKS PO BOX 947 20-1457796 SALISBURY NC 28145	LEASING	NC	501C3	9	LSA, INC	X	
(5) LUTHERAN HOME AT TRINITY OAKS, INC PO BOX 947 20-1457824 SALISBURY NC 28145	NURSING	NC	501C3	9	LSA, INC	X	

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

Schedule R (Form 990) 2012



**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

▶ **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.**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**LSA MANAGEMENT, INC.**

Employer identification number  
**20-1457236**

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

(a) Name, address, and EIN (if applicable) 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) .....					

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to 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) LUTHERAN HOME FORSYTH COUNTY PO BOX 947 46-1188488 SALISBURY NC 28145	LEASING	NC	501C3	9	LSA, INC	X	
(2) LUTHERAN HOME HICKORY PROPERTY, PO BOX 947 20-1457319 SALISBURY NC 28145	LEASING	NC	501C3	9	LSA, INC	X	
(3) LUTHERAN HOME HICKORY WEST PROPERTY PO BOX 947 20-5304712 SALISBURY NC 28145	LEASING	NC	501C3	9	LSA, INC	X	
(4) LUTHERAN HOME WILMINGTON PROPERTY, PO BOX 947 26-0158745 SALISBURY NC 28145	LEASING	NC	501C3	9	LSA, INC	X	
(5) LUTHERAN HOME WINSTON-SALEM PO BOX 947 20-5304794 SALISBURY NC 28145	LEASING	NC	501C3	9	LSA, INC	X	

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

Schedule R (Form 990) 2012

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.**

**2012**

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

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**LSA MANAGEMENT, INC.**

Employer identification number  
**20-1457236**

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

(a) Name, address, and EIN (if applicable) 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) .....					

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to 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) LUTHERAN RETIREMENT CENTER - PO BOX 947 56-1540214 SALISBURY NC 28145	ASSIST LVG	NC	501C3	9	LSA, INC	X	
(2) LUTHERAN RETIREMENT CENTER - PO BOX 947 56-1500308 SALISBURY NC 28145	INDEP. LVG	NC	501C3	9	LSA, INC	X	
(3) LUTHERAN RETIREMENT CENTER AT PO BOX 947 58-1823983 SALISBURY NC 28145	ASSIST LVG	NC	501C3	9	LSA, INC	X	
(4) LUTHERAN SERVICES FOR THE AGING PO BOX 947 56-1681723 SALISBURY NC 28145	FOUNDATION	NC	501C3	9	LSA, INC	X	
(5) LUTHERAN SERVICES FOR THE AGING, PO BOX 947 56-0752160 SALISBURY NC 28145	PARENT ORG	NC	501C3	9	N/A		X

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

Schedule R (Form 990) 2012

**SCHEDULE R  
(Form 990)**Department of the Treasury  
Internal Revenue Service

Name of the organization

**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

**2012****Open to Public  
Inspection****LSA MANAGEMENT, INC.**Employer identification number  
**20-1457236****Part I Identification of Disregarded Entities** (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) 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) .....					

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to 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) LUTHERAN SERVICES PROPERTY, INC PO BOX 947 20-3895886 SALISBURY NC 28145	LEASING	NC	501C3	9	LSA, INC	X	
(2) LSA THERAPY, INC PO BOX 947 46-1886488 SALISBURY NC 28145	THERAPY	NC	501C3	9	LSA, INC	X	
(3) MOUNTAIN RIDGE GROUP HOME, INC PO BOX 2369 58-1782084 SALISBURY NC 28145	GROUP HOME	NC	501C3	7	LFS	X	
(4) WHITTECAR HOME, INC PO BOX 2369 58-1940152 SALISBURY NC 28145	GROUP HOME	NC	501C3	7	LFS	X	
(5) PACE AT HOME, INC 1915 FAIRGROVE CHURCH ROAD 27-3462373 NEWTON NC 28658	CARE SVC	NC	501C3	3	N/A		X

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

DAA

Schedule R (Form 990) 2012

**Part III Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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 alloc.?		(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) .....												

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" to 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	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) .....									
(2) .....									
(3) .....									
(4) .....									

**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, 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 <b>(i)</b> interest <b>(ii)</b> annuities <b>(iii)</b> royalties or <b>(iv)</b> rent from a controlled entity		<b>X</b>
<b>b</b> Gift, grant, or capital contribution to related organization(s)	<b>X</b>	
<b>c</b> Gift, grant, or capital contribution from related organization(s)	<b>X</b>	
<b>d</b> Loans or loan guarantees to or for related organization(s)	<b>X</b>	
<b>e</b> Loans or loan guarantees by related organization(s)	<b>X</b>	
<b>f</b> Dividends from related organization(s)		<b>X</b>
<b>g</b> Sale of assets to related organization(s)		<b>X</b>
<b>h</b> Purchase of assets from related organization(s)	<b>X</b>	
<b>i</b> Exchange of assets with related organization(s)		<b>X</b>
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s)		<b>X</b>
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s)	<b>X</b>	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s)	<b>X</b>	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s)		<b>X</b>
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		<b>X</b>
<b>o</b> Sharing of paid employees with related organization(s)		<b>X</b>
<b>p</b> Reimbursement paid to related organization(s) for expenses		<b>X</b>
<b>q</b> Reimbursement paid by related organization(s) for expenses		<b>X</b>
<b>r</b> Other transfer of cash or property to related organization(s)		<b>X</b>
<b>s</b> Other transfer of cash or property from related organization(s)		<b>X</b>
<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-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	<b>LSA THERAPY, INC</b>	<b>B</b>	<b>50,000</b>	<b>FMV</b>
(2)	<b>LUTHERAN SERVICES FOR THE AGING,</b>	<b>C</b>	<b>100,000</b>	<b>FMV</b>
(3)	<b>LUTHERAN HOME - WILMINGTON, INC</b>	<b>D</b>	<b>22,413</b>	<b>FMV</b>
(4)	<b>LUTHERAN HOME - WINSTON-SALEM, INC</b>	<b>D</b>	<b>645,699</b>	<b>FMV</b>
(5)	<b>LUTHERAN RETIREMENT CENTER -</b>	<b>D</b>	<b>1,021,974</b>	<b>FMV</b>
(6)	<b>LUTHERAN FAMILY SERVICES IN THE</b>	<b>D</b>	<b>1,734,029</b>	<b>FMV</b>

**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, 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 <b>(i)</b> interest <b>(ii)</b> annuities <b>(iii)</b> royalties or <b>(iv)</b> rent from a controlled entity		<b>X</b>
<b>b</b> Gift, grant, or capital contribution to related organization(s)	<b>X</b>	
<b>c</b> Gift, grant, or capital contribution from related organization(s)	<b>X</b>	
<b>d</b> Loans or loan guarantees to or for related organization(s)	<b>X</b>	
<b>e</b> Loans or loan guarantees by related organization(s)	<b>X</b>	
<b>f</b> Dividends from related organization(s)		<b>X</b>
<b>g</b> Sale of assets to related organization(s)		<b>X</b>
<b>h</b> Purchase of assets from related organization(s)	<b>X</b>	
<b>i</b> Exchange of assets with related organization(s)		<b>X</b>
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s)		<b>X</b>
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s)	<b>X</b>	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s)	<b>X</b>	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s)		<b>X</b>
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		<b>X</b>
<b>o</b> Sharing of paid employees with related organization(s)		<b>X</b>
<b>p</b> Reimbursement paid to related organization(s) for expenses		<b>X</b>
<b>q</b> Reimbursement paid by related organization(s) for expenses		<b>X</b>
<b>r</b> Other transfer of cash or property to related organization(s)		<b>X</b>
<b>s</b> Other transfer of cash or property from related organization(s)		<b>X</b>
<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-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	LUTHERAN HOME WINSTON-SALEM	D	662,712	FMV
(2)	CONTROL GROUP INTERCOMPANY REC/PAY	D	2,401,835	FMV
(3)	LUTHERAN RETIREMENT CENTER AT	D	590,288	FMV
(4)	LUTHERAN RETIREMENT CENTER -	D	205,623	FMV
(5)	LUTHERAN HOME HICKORY PROPERTY, INC	D	962	FMV
(6)	LUTHERAN HOME HICKORY WEST PROPERTY	D	248,106	FMV

**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, 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 <b>(i)</b> interest <b>(ii)</b> annuities <b>(iii)</b> royalties or <b>(iv)</b> rent from a controlled entity .....		<b>X</b>
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....	<b>X</b>	
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....	<b>X</b>	
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	<b>X</b>	
<b>e</b> Loans or loan guarantees by related organization(s) .....	<b>X</b>	
<b>f</b> Dividends from related organization(s) .....		<b>X</b>
<b>g</b> Sale of assets to related organization(s) .....		<b>X</b>
<b>h</b> Purchase of assets from related organization(s) .....	<b>X</b>	
<b>i</b> Exchange of assets with related organization(s) .....		<b>X</b>
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....		<b>X</b>
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....	<b>X</b>	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....	<b>X</b>	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....		<b>X</b>
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....		<b>X</b>
<b>o</b> Sharing of paid employees with related organization(s) .....		<b>X</b>
<b>p</b> Reimbursement paid to related organization(s) for expenses .....		<b>X</b>
<b>q</b> Reimbursement paid by related organization(s) for expenses .....		<b>X</b>
<b>r</b> Other transfer of cash or property to related organization(s) .....		<b>X</b>
<b>s</b> Other transfer of cash or property from related organization(s) .....		<b>X</b>
<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-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	LUTHERAN HOME WILMINGTON PROPERTY,	D	450,929	FMV
(2)	LSA ELMS AT TANGLEWOOD, INC	E	1,026,231	FMV
(3)	LUTHERAN HOME - HICKORY, INC	E	1,389,559	FMV
(4)	LUTHERAN HOME - ALBEMARBLE, INC	E	818,356	FMV
(5)	LUTHERAN HOME AT TRINITY OAKS, INC	E	416,760	FMV
(6)	ABUNDANT LIVING ADULT DAY SERVICES,	E	29,483	FMV

**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, 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 <b>(i)</b> interest <b>(ii)</b> annuities <b>(iii)</b> royalties or <b>(iv)</b> rent from a controlled entity .....		<b>X</b>
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....	<b>X</b>	
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....	<b>X</b>	
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	<b>X</b>	
<b>e</b> Loans or loan guarantees by related organization(s) .....	<b>X</b>	
<b>f</b> Dividends from related organization(s) .....		<b>X</b>
<b>g</b> Sale of assets to related organization(s) .....		<b>X</b>
<b>h</b> Purchase of assets from related organization(s) .....	<b>X</b>	
<b>i</b> Exchange of assets with related organization(s) .....		<b>X</b>
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....		<b>X</b>
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....	<b>X</b>	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....	<b>X</b>	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....		<b>X</b>
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....		<b>X</b>
<b>o</b> Sharing of paid employees with related organization(s) .....		<b>X</b>
<b>p</b> Reimbursement paid to related organization(s) for expenses .....		<b>X</b>
<b>q</b> Reimbursement paid by related organization(s) for expenses .....		<b>X</b>
<b>r</b> Other transfer of cash or property to related organization(s) .....		<b>X</b>
<b>s</b> Other transfer of cash or property from related organization(s) .....		<b>X</b>
<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-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	LUTHERAN HOME - HICKORY WEST, INC	E	1,192,497	FMV
(2)	LUTHERAN HOME ALBEMARBLE PROPERTY,	E	11,610	FMV
(3)	LUTHERAN HOME AT TRINITY OAKS	E	52,779	FMV
(4)	LSA ELMS PROPERTY, INC	E	16,668	FMV
(5)	LSA PHARMACY, INC	E	1,294,193	FMV
(6)	LUTHERAN SERVICES PROPERTY, INC	E	21,040	FMV



**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, 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 <b>(i)</b> interest <b>(ii)</b> annuities <b>(iii)</b> royalties or <b>(iv)</b> rent from a controlled entity .....		<b>X</b>
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....	<b>X</b>	
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....	<b>X</b>	
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	<b>X</b>	
<b>e</b> Loans or loan guarantees by related organization(s) .....	<b>X</b>	
<b>f</b> Dividends from related organization(s) .....		<b>X</b>
<b>g</b> Sale of assets to related organization(s) .....		<b>X</b>
<b>h</b> Purchase of assets from related organization(s) .....	<b>X</b>	
<b>i</b> Exchange of assets with related organization(s) .....		<b>X</b>
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....		<b>X</b>
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....	<b>X</b>	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....	<b>X</b>	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....		<b>X</b>
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....		<b>X</b>
<b>o</b> Sharing of paid employees with related organization(s) .....		<b>X</b>
<b>p</b> Reimbursement paid to related organization(s) for expenses .....		<b>X</b>
<b>q</b> Reimbursement paid by related organization(s) for expenses .....		<b>X</b>
<b>r</b> Other transfer of cash or property to related organization(s) .....		<b>X</b>
<b>s</b> Other transfer of cash or property from related organization(s) .....		<b>X</b>
<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-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	LSA PHARMACY, INC	H	2,247	FMV
(2)	ABUNDANT LIVING ADULT DAY SERVICES,	K	2,400	FMV
(3)	LUTHERAN SERVICES PROPERTY, INC	K	24,000	FMV
(4)	LUTHERAN SERVICES FOR THE AGING,	L	450,000	FMV
(5)	LUTHERAN HOME - HICKORY, INC	L	530,056	FMV
(6)	LSA ELMS AT TANGLEWOOD, INC	L	165,350	FMV

**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, 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 <b>(i)</b> interest <b>(ii)</b> annuities <b>(iii)</b> royalties or <b>(iv)</b> rent from a controlled entity .....		<b>X</b>
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....	<b>X</b>	
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....	<b>X</b>	
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	<b>X</b>	
<b>e</b> Loans or loan guarantees by related organization(s) .....	<b>X</b>	
<b>f</b> Dividends from related organization(s) .....		<b>X</b>
<b>g</b> Sale of assets to related organization(s) .....		<b>X</b>
<b>h</b> Purchase of assets from related organization(s) .....	<b>X</b>	
<b>i</b> Exchange of assets with related organization(s) .....		<b>X</b>
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....		<b>X</b>
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....	<b>X</b>	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....	<b>X</b>	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....		<b>X</b>
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....		<b>X</b>
<b>o</b> Sharing of paid employees with related organization(s) .....		<b>X</b>
<b>p</b> Reimbursement paid to related organization(s) for expenses .....		<b>X</b>
<b>q</b> Reimbursement paid by related organization(s) for expenses .....		<b>X</b>
<b>r</b> Other transfer of cash or property to related organization(s) .....		<b>X</b>
<b>s</b> Other transfer of cash or property from related organization(s) .....		<b>X</b>
<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-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	LUTHERAN HOME - ALBEMARBLE, INC	L	263,385	FMV
(2)	LUTHERAN RETIREMENT CENTER AT	L	134,024	FMV
(3)	LUTHERAN HOME AT TRINITY OAKS, INC	L	431,800	FMV
(4)	ABUNDANT LIVING ADULT DAY SERVICES,	L	22,000	FMV
(5)	LUTHERAN HOME - HICKORY WEST, INC	L	353,175	FMV
(6)	LUTHERAN HOME - WILMINGTON, INC	L	165,714	FMV

**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, 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 <b>(i)</b> interest <b>(ii)</b> annuities <b>(iii)</b> royalties or <b>(iv)</b> rent from a controlled entity		<b>X</b>
<b>b</b> Gift, grant, or capital contribution to related organization(s)	<b>X</b>	
<b>c</b> Gift, grant, or capital contribution from related organization(s)	<b>X</b>	
<b>d</b> Loans or loan guarantees to or for related organization(s)	<b>X</b>	
<b>e</b> Loans or loan guarantees by related organization(s)	<b>X</b>	
<b>f</b> Dividends from related organization(s)		<b>X</b>
<b>g</b> Sale of assets to related organization(s)		<b>X</b>
<b>h</b> Purchase of assets from related organization(s)	<b>X</b>	
<b>i</b> Exchange of assets with related organization(s)		<b>X</b>
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s)		<b>X</b>
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s)	<b>X</b>	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s)	<b>X</b>	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s)		<b>X</b>
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		<b>X</b>
<b>o</b> Sharing of paid employees with related organization(s)		<b>X</b>
<b>p</b> Reimbursement paid to related organization(s) for expenses		<b>X</b>
<b>q</b> Reimbursement paid by related organization(s) for expenses		<b>X</b>
<b>r</b> Other transfer of cash or property to related organization(s)		<b>X</b>
<b>s</b> Other transfer of cash or property from related organization(s)		<b>X</b>

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

	(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	LUTHERAN HOME - WINSTON-SALEM, INC	L	361,115	FMV
(2)	LUTHERAN RETIREMENT CENTER -	L	196,724	FMV
(3)	LSA PHARMACY, INC	L	245,774	FMV
(4)	LUTHERAN FAMILY SERVICES IN THE	L	300,290	FMV
(5)				
(6)				

**Part VI Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(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		Yes	No	
(1) .....													
(2) .....													
(3) .....													
(4) .....													
(5) .....													
(6) .....													
(7) .....													
(8) .....													
(9) .....													
(10) .....													
(11) .....													

**Part VII Supplemental Information**

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

**SCHEDULE R - ADDITIONAL INFORMATION**

**"CONTROL GROUP INTERCOMPANY REC/PAY" CONSISTS OF SHORT-TERM INTERCOMPANY ALLOCATIONS BETWEEN THE ENTITIES WITHIN THE CONTROLLED GROUP.**