***~~Form~~ 990 Online Filers: Please fax completed and signed form to 866-699-3916

Form **8453-EO**

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2012, or tax year beginning 07/01, 2012, and ending 06/30, 20 13

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

Department of the Treasury
Internal Revenue Service

OMB No. 1545-1879

2012

Name of exempt organization: HEIFER PROJECT INTERNATIONAL

Employer identification number: 35-1019477

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

Check the box for the type of return being filed with Form 8453-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a, 2a, 3a, 4a,** or **5a** below and the amount on that line of the return being filed with this form was blank, then leave line **1b, 2b, 3b, 4b,** or **5b,** whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

1a	**Form 990** check here ▶ ☑	b	**Total revenue,** if any (Form 990, Part VIII, column (A), line 12)	1b	108,861,120
2a	**Form 990-EZ** check here ▶ ☐	b	**Total revenue,** if any (Form 990-EZ, line 9)	2b	
3a	**Form 1120-POL** check here ▶ ☐	b	**Total tax** (Form 1120-POL, line 22)	3b	
4a	**Form 990-PF** check here ▶ ☐	b	**Tax based on investment income** (Form 990-PF, Part VI, line 5)	4b	
5a	**Form 8868** check here ▶ ☐	b	**Balance due** (Form 8868, Part I, line 3c or Part II, line 8c)	5b	

Part II Declaration of Officer

6 ☐ I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

☐ If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2012 electronic return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS **(a)** an acknowledgement of receipt or reason for rejection of the transmission, **(b)** the reason for any delay in processing the return or refund, and **(c)** the date of any refund.

Sign Here ▶ Robert S. Bloom — Signature of officer | 11/13/13 — Date | ▶ Robert Bloom, EVP, CFO & TREASURER — Title

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS *e-file* Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only

ERO's signature ▶	Date	Check if also paid preparer ☐	Check if self-employed ☐	ERO's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code ▶				EIN
				Phone no.

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Form 990 — 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.

Department of the Treasury
Internal Revenue Service

OMB No. 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 07/01 , 2012, and ending 06/30 , 20 13

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

C Name of organization HEIFER PROJECT INTERNATIONAL

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) 1 World Avenue | Room/suite

City, town or post office, state, and ZIP code Little Rock, AR 72202-2863

D Employer identification number 35-1019477

E Telephone number 501-907-2600

G Gross receipts $ 111,025,602

F Name and address of principal officer: Pierre Ferrari
1 World Avenue, Little Rock, AR 72202

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list. (see instructions)

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

J Website: ▶ WWW.HEIFER.ORG

H(c) Group exemption number ▶

K Form of organization: ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1953

M State of legal domicile: AR

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: Since 1944, Heifer Project International has helped 20.7 million families in more than 125 countries move toward greater self-reliance through the gifts of livestock, plants and training in environmentally-sound agriculture.

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	19
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	19
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	348
6	Total number of volunteers (estimate if necessary)	6	1,800
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	110,152,404	106,290,321
	9	Program service revenue (Part VIII, line 2g)	1,346,770	956,827
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-282,525	194,797
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,170,224	1,419,175
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	112,386,873	108,861,120
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	61,509,080	59,176,581
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	20,176,002	20,587,789
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	1,022,043	1,804,633
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 20,328,394		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	32,948,683	41,811,532
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	115,655,808	123,380,535
	19	Revenue less expenses. Subtract line 18 from line 12	-3,268,935	-14,519,415
			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	174,943,967	167,422,547
	21	Total liabilities (Part X, line 26)	21,965,142	23,329,502
	22	Net assets or fund balances. Subtract line 21 from line 20	152,978,825	144,093,045

Part II Signature Block

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

Sign Here

Signature of officer | Date

Robert Bloom, EVP, CFO & TREASURER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN

Firm's name ▶ | Firm's EIN ▶

Firm's address ▶ | Phone no.

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:

The organization's mission is to work with communities to end hunger and poverty and care for the earth.

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 $ 71,342,359 including grants of $ 5,859,366) (Revenue $ 0)

International Development: Sustainability: Heifer provides gifts of food and income-producing livestock, as well as education and information about their care and feeding, to families and communities in need so that they may become self-reliant and establish sustainable livelihoods and enhanced access to food and income. Heifer works in partnership with local organizations and each family is expected to Pass on the Gift of livestock and knowledge through the gift of the first female offspring and training to another family in need, multiplying the gift and thus benefiting entire communities.

4b (Code:) (Expenses $ 21,120,667 including grants of $ 0) (Revenue $ 956,827)

International Development: Education: Heifer works to educate people of all ages in the United States and elsewhere around the world about the root causes, the contributors to and the challenges of global hunger and poverty, and to teach them how to become part of the solution. Heifer learning centers empower people to learn through experience what it feels like to be poor and hungry and provides programs and lessons that inspire them to take some action toward ending hunger and poverty.

4c (Code:) (Expenses $ 1,213,063 including grants of $ 0) (Revenue $ 0)

International Development: Agro-ecology: Heifer provides gifts of seeds, grains and trees and teaches farmers and families geographically appropriate and resource-sound agricultural practices that enhance and increase crop productivity and are good for the environment. Heifer works with local organizations to increase farmer's access to markets to improve economic benefit and increase personal gain from what they grow. This allows farmers to enhance food security and sovereignty, increase local food options and availability and provide safe and affordable locally grown foods. Heifer's work is guided in its approach by its 12 Cornerstones, including Passing on the Gift, accountability, sharing and caring, gender and family focus, genuine need and justice and full participation. All contribute to Heifer's values-based and holistic approach to giving people a hand up, not a hand out to a better, richer life.

4d Other program services (Describe in Schedule O.)
(Expenses $ 0 including grants of $ 0) (Revenue $ 0)

4e **Total program service expenses ▶** 93,676,089

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*	1	✓	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2		✓
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*	3		✓
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		✓
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*	5		✓
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*	6		✓
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*	7		✓
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		✓
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*	9		✓
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*	10		✓
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*	11a	✓	
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*	11b		✓
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*	11c		✓
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*	11d	✓	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	✓	
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*	11f	✓	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	✓	
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*	12b	✓	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		✓
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	✓	
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.*	14b	✓	
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*	15	✓	
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*	16		✓
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)*	17	✓	
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*	18	✓	
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*	19		✓
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		✓
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	✓	
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*	22		✓
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*	23	✓	
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*	24a	✓	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		✓
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?	24c		✓
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		✓
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		✓
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*	25b		✓
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*	26		✓
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*	27		✓
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*	28a		✓
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		✓
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*	28c		✓
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29	✓	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		✓
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		✓
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*	33		✓
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34		✓
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		✓
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*	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		✓
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*	37		✓
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	✓	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	109			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	✓	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	348			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	✓	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a		✓
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a	✓	
b	If "Yes," enter the name of the foreign country: ▶ See Schedule O, Statement 1 See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		✓
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			6a		✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	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?			7a	✓	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	✓	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		✓
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		✓
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter:					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter:					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state?			13a		
	Note. See the instructions for additional information the organization must report on Schedule O.					
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	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		✓
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			14b		

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . **1a** 19. 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	Enter the number of voting members included in line 1a, above, who are independent . **1b** 19			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		✓
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3		✓
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		✓
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		✓
6	Did the organization have members or stockholders?	6		✓
7a	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?	7a	✓	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		✓
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a	✓	
b	Each committee with authority to act on behalf of the governing body?	8b	✓	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9		✓

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

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		✓
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?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	✓	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	✓	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	✓	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	✓	
13	Did the organization have a written whistleblower policy?	13	✓	
14	Did the organization have a written document retention and destruction policy?	14	✓	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	✓	
b	Other officers or key employees of the organization	15b		✓
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		✓
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?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ See Schedule O, Statement 2

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: ▶ Robert Bloom, (501)907-2600
1 World Avenue, Little Rock, AR 72202

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

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

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

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

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

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

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

(A) Name and Title	(B) Average hours per week (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): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
Dr Donald Hammond Chair	1 0	✓						0	0	0
Arlene Withers Vice Chair	1 0	✓						0	0	0
Efrain Diaz Arrivillaga Board Member	1 0	✓						0	0	0
Bennett Cohen Board Member	1 0	✓						0	0	0
C Devendra Board Member	1 0	✓						0	0	0
Norman Doll Board Member	1 0	✓						0	0	0
Francine Anthony Board Member	1 0	✓						0	0	0
Susan B Fulton Board Member	1 0	✓						0	0	0
Susan Grant Board Member	1 0	✓						0	0	0
Sandra Grant Board Member	1 0	✓						0	0	0
Sandra Godden Board Member	1 0	✓						0	0	0
Franklin Ishida Board Member	1 0	✓						0	0	0
June Hee Kim Board Member	1 0	✓						0	0	0
Skirma Kondratas Board Member	1 0	✓						0	0	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
Dr Johnson Nkuuhe Board Member	1 0	✓						0	0	0
George Petty Board Member	1 0	✓						0	0	0
Susan Sanders Board Member	1 0	✓						0	0	0
Charles Stewart Board Member	1 0	✓						0	0	0
Jay Wittmeyer Board Member	1 0	✓						0	0	0
Robert Bloom EVP, CFO and Treasurer	50 0			✓				190,077	0	30,335
Cindy Jones-Nyland Executive Vice President	50 0			✓				177,138	0	24,117
Pierre Ferrari Chief Executive Officer	50 0			✓				284,371	0	37,462
Steve Denne Chief Operating Officer and Secretary	50 0			✓				215,106	0	34,541
Cathy Sanders Vice President	50 0			✓				112,474	0	24,198
Pietro Turilli Vice President	50 0			✓				112,209	0	24,044
Mahendra Lohani Vice President	50 0			✓				111,658	0	20,435
Oscar Castaneda Vice President	50 0			✓				108,793	0	20,324
Leesa Ferguson Vice President	50 0			✓				105,315	0	11,341

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): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
Chad Avery	50									
General Counsel	0			✓				93,076	0	22,411
Jesus Pizarro Rodriguez	50									
Vice President	0			✓				92,113	0	13,734
Elizabeth Bintliff	50									
Vice President	0			✓				86,513	0	22,213
Kimberly Ahlgrim	50									
Interim Vice President	0			✓				86,200	0	10,154
Hervil Cherubin	50									
Haiti Country Director	0					✓		109,982	0	13,035
Christy Moore	50									
Senior Director of Marketing	0					✓		100,418	0	22,546
James Neal	0									
CFO	0						✓	161,507	0	0

		(D)	(E)	(F)
1b	Sub-total . . . . . . ▶	2,146,950	0	330,890
c	Total from continuation sheets to Part VII, Section A . . . ▶			
d	Total (add lines 1b and 1c) . . . . . ▶	2,146,950	0	330,890

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 12

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

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
MDS Communications Corporation, 545 West Juanita Avenue, Meza, AZ 85210	Telemarketing Services	1,242,993
Premier Staffing, 10901 Financial Centre Parkway, Little Rock, AR 72221	Provides temporary staffi	799,012
Craver Mathews Smith Company, 4121 Wilson Blvd, Arlington, VA 22203	Fundraising Consultant	777,000
Merkle Little Rock, 500 President Clinton Avenue, Little Rock, AR 72201	Marketing Data Analysis	513,897
Blackbaud, 2000 Daniel Island Drive, Charleston, SC 29492	Customer relationship manag	410,796

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 ▶ 21

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	1a Federated campaigns	1a	1,384,697				
	b Membership dues	1b	0				
	c Fundraising events	1c	135,653				
	d Related organizations	1d	0				
	e Government grants (contributions)	1e	478,397				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	104,291,574				
	g Noncash contributions included in lines 1a-1f: $		1,755,886				
	h **Total.** Add lines 1a–1f ▶			106,290,321			
Program Service Revenue			Business Code				
	2a Education Revenue		611710	909,780	909,780	0	0
	b Conference Center		611710	36,000	36,000	0	0
	c Educational Study Tours		611710	11,047	11,047	0	0
	d						
	e						
	f All other program service revenue .			0	0	0	0
	g **Total.** Add lines 2a–2f ▶			956,827			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶			11,058	0	0	11,058
	4 Income from investment of tax-exempt bond proceeds ▶			0	0	0	0
	5 Royalties ▶			0	0	0	0
		(i) Real	(ii) Personal				
	6a Gross rents	294,995	0				
	b Less: rental expenses	0	0				
	c Rental income or (loss)	294,995	0				
	d Net rental income or (loss) ▶			294,995	0	0	294,995
	7a Gross amount from sales of assets other than inventory	(i) Securities 1,748,990	(ii) Other 232,014				
	b Less: cost or other basis and sales expenses	1,748,836	48,429				
	c Gain or (loss)	154	183,585				
	d Net gain or (loss) ▶			183,739	0	0	183,739
	8a Gross income from fundraising events (not including $ 135,653 of contributions reported on line 1c). See Part IV, line 18	a	22,289				
	b Less: direct expenses	b	82,666				
	c Net income or (loss) from fundraising events ▶			-60,377		0	-60,377
	9a Gross income from gaming activities. See Part IV, line 19	a	0				
	b Less: direct expenses	b	0				
	c Net income or (loss) from gaming activities ▶			0	0	0	0
	10a Gross sales of inventory, less returns and allowances	a	558,492				
	b Less: cost of goods sold	b	284,551				
	c Net income or (loss) from sales of inventory ▶			273,941	0	0	273,941
	Miscellaneous Revenue		Business Code				
	11a International miscellaneous revenue		900099	778,750	778,750	0	0
	b Livestock		110000	78,862	78,862	0	0
	c						
	d All other revenue			53,004	53,004	0	0
	e **Total.** Add lines 11a–11d ▶			910,616			
	12 **Total revenue.** See instructions. ▶			108,861,120	1,867,443	0	703,356

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 United States. See Part IV, line 21	1,241,562	1,241,562		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	0	0		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	57,935,019	57,935,019		
4 Benefits paid to or for members	0	0		
5 Compensation of current officers, directors, trustees, and key employees	2,489,095	1,291,946	873,936	323,213
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	0
7 Other salaries and wages	13,760,504	7,999,584	2,561,114	3,199,806
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,469,638	923,224	236,866	309,548
9 Other employee benefits	1,636,005	948,653	319,155	368,197
10 Payroll taxes	1,232,547	721,978	233,819	276,750
11 Fees for services (non-employees):				
a Management	0	0	0	0
b Legal	425,382	143,230	245,820	36,332
c Accounting	646,231	535,065	106,066	5,100
d Lobbying	0	0	0	0
e Professional fundraising services. See Part IV, line 17	1,804,633			1,804,633
f Investment management fees	0	0	0	0
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	5,280,565	3,440,268	806,340	1,033,957
12 Advertising and promotion	4,156,645	2,370,971	105,892	1,679,782
13 Office expenses	468,681	310,432	86,113	72,136
14 Information technology	1,392,121	668,219	361,951	361,951
15 Royalties	0	0	0	0
16 Occupancy	1,463,524	897,776	290,959	274,789
17 Travel	1,810,590	1,224,361	245,157	341,072
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19 Conferences, conventions, and meetings	258,389	130,383	33,404	94,602
20 Interest	585,925	0	585,925	0
21 Payments to affiliates	0	0	0	0
22 Depreciation, depletion, and amortization	2,251,662	1,283,883	619,706	348,073
23 Insurance	434,195	221,440	138,942	73,813
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 Printing and other media expenses	9,221,126	4,886,370	544,535	3,790,221
b Postage shipping and freight	7,800,300	4,273,848	352,188	3,174,264
c Other personnel expenses	1,188,371	554,295	310,659	323,417
d Bank and Credit Card Fees	891,946	0	0	891,946
e All other expenses	3,535,879	1,673,582	317,505	1,544,792
25 **Total functional expenses.** Add lines 1 through 24e	123,380,535	93,676,089	9,376,052	20,328,394
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 ▶ ☑ if following SOP 98-2 (ASC 958-720)	14,629,932	8,838,790	0	5,791,142

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
Assets	1	Cash—non-interest-bearing			44,125,465	1	39,023,616
	2	Savings and temporary cash investments			11,376,572	2	5,404,728
	3	Pledges and grants receivable, net			923,764	3	896,718
	4	Accounts receivable, net			4,335,076	4	3,499,379
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			0	5	0
	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			0	6	0
	7	Notes and loans receivable, net			0	7	0
	8	Inventories for sale or use			681,850	8	589,983
	9	Prepaid expenses and deferred charges			691,364	9	589,575
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	77,732,715			
	b	Less: accumulated depreciation	10b	26,415,208	53,220,193	10c	51,317,507
	11	Investments—publicly traded securities			217,502	11	265,910
	12	Investments—other securities. See Part IV, line 11			0	12	0
	13	Investments—program-related. See Part IV, line 11			0	13	0
	14	Intangible assets			0	14	0
	15	Other assets. See Part IV, line 11			59,372,181	15	65,835,131
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)			174,943,967	16	167,422,547
Liabilities	17	Accounts payable and accrued expenses			5,079,820	17	7,238,570
	18	Grants payable			0	18	0
	19	Deferred revenue			0	19	0
	20	Tax-exempt bond liabilities			16,445,000	20	15,430,000
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			0	21	0
	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			0	22	0
	23	Secured mortgages and notes payable to unrelated third parties			0	23	0
	24	Unsecured notes and loans payable to unrelated third parties			0	24	0
	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			440,322	25	660,932
	26	**Total liabilities.** Add lines 17 through 25			21,965,142	26	23,329,502
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**					
	27	Unrestricted net assets			61,827,743	27	61,041,533
	28	Temporarily restricted net assets			27,735,262	28	17,419,436
	29	Permanently restricted net assets			63,415,820	29	65,632,076
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building, or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			152,978,825	33	144,093,045
	34	Total liabilities and net assets/fund balances			174,943,967	34	167,422,547

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	108,861,120
2	Total expenses (must equal Part IX, column (A), line 25)	2	123,380,535
3	Revenue less expenses. Subtract line 2 from line 1	3	-14,519,415
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	152,978,825
5	Net unrealized gains (losses) on investments	5	9,941
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	5,623,694
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	144,093,045

Part XII Financial Statements and Reporting

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

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☑ Accrual ☐ Other ______ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? 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: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a		✓
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: ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis	2b	✓	
c	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.	2c	✓	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		✓
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	3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization
HEIFER PROJECT INTERNATIONAL

Employer identification number
35-1019477

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

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

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state:

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33⅓% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33⅓% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I **b** ☐ Type II **c** ☐ Type III–Functionally integrated **d** ☐ Type III–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 other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)		
(ii) A family member of a person described in (i) above?	11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		

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

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

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	102,831,459	115,047,381	124,772,557	110,436,116	106,290,321	559,377,834
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0	0	0	0
3 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0	0	0	0
4 **Total.** Add lines 1 through 3	102,831,459	115,047,381	124,772,557	110,436,116	106,290,321	559,377,834
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						51,318,105
6 **Public support.** Subtract line 5 from line 4.						508,059,729

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	102,831,459	115,047,381	124,772,557	110,436,116	106,290,321	559,377,834
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	721,382	472,442	345,187	300,797	306,053	2,145,861
9 Net income from unrelated business activities, whether or not the business is regularly carried on	930	1,950	0	0	0	2,880
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	2,767,391	2,768,216	2,685,829	2,211,591	2,164,627	12,597,654
11 **Total support.** Add lines 7 through 10						574,124,229

12 Gross receipts from related activities, etc. (see instructions) . . . 12 9,710,143

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) . . . 14 88.49 %

15 Public support percentage from 2011 Schedule A, Part II, line 14 . . . 15 89.03 %

16a **33⅓% support test—2012.** If the organization did not check the box on line 13, and line 14 is 33⅓% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . ▶ ☑

b **33⅓% support test—2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33⅓% 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
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . .						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . .						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons .						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f)) . . .	17	%
18	Investment income percentage from **2011** Schedule A, Part III, line 17	18	%

19a **33⅓% support tests—2012.** If the organization did not check the box on line 14, and line 15 is more than 33⅓%, and line 17 is not more than 33⅓%, check this box and **stop here.** The organization qualifies as a publicly supported organization . ▶ ☐

b **33⅓% support tests—2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33⅓%, and line 18 is not more than 33⅓%, 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).

General Explanation - Program Service Revenue $956,827 Gain on securities sales $154 Special Events $22,889 Merchandise Net Income $273,941 Miscellaneous Income $910,616

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: HEIFER PROJECT INTERNATIONAL
Employer identification number: 35-1019477

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).
☐ Preservation of land for public use (e.g., recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b Assets included in Form 990, Part X ▶ $

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
c	Beginning balance	1c	
d	Additions during the year	1d	
e	Distributions during the year	1e	
f	Ending balance	1f	

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

b If "Yes," explain the arrangement in Part 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
1a	Beginning of year balance					
b	Contributions					
c	Net investment earnings, gains, and losses					
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance					

2 Provide the estimated percentage of the 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:

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

4 Describe in Part 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
1a	Land	0	11,942,902		11,942,902
b	Buildings	0	45,200,052	10,495,099	34,704,953
c	Leasehold improvements	0	0	0	0
d	Equipment	0	13,237,680	10,958,304	2,279,376
e	Other	0	7,352,081	4,961,805	2,390,276

Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* . . . . ▶ 51,317,507

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 12.)* ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 13.)* ▶		

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

(a) Description	(b) Book value
(1) Interest in Net Assets of Heifer International Foundation	65,835,131
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶	65,835,131

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	0
(2) Refundable Advances	660,932
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶	660,932

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	114,895,230
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	9,941		
b	Donated services and use of facilities	2b	0		
c	Recoveries of prior year grants	2c	0		
d	Other (Describe in Part XIII.)	2d	5,941,503		
e	Add lines **2a** through **2d**			2e	5,951,444
3	Subtract line **2e** from line **1**			3	108,943,786
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	0		
b	Other (Describe in Part XIII.)	4b	-82,666		
c	Add lines **4a** and **4b**			4c	-82,666
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	108,861,120

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

1	Total expenses and losses per audited financial statements			1	123,463,201
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a	0		
b	Prior year adjustments	2b	0		
c	Other losses	2c	0		
d	Other (Describe in Part XIII.)	2d	82,666		
e	Add lines **2a** through **2d**			2e	82,666
3	Subtract line **2e** from line **1**			3	123,380,535
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	0		
b	Other (Describe in Part XIII.)	4b	0		
c	Add lines **4a** and **4b**			4c	0
5	Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5	123,380,535

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.

Schedule D, Part X, Line 2 - In June, 2006, the FASB issued guidance, Accounting for Uncertainty in Income Taxes, now codified with ASC Topic 740, Income Taxes providing guidance for recognizing and measuring tax positions in a tax return that may affect amounts reported in the financial statements. The Organization adopted this guidance for the fiscal year ended June 30, 2011 and noted no uncertain tax positions requiring adjustment to the financial statements to comply with the provisions of this guidance.

Schedule D, Part XI, Line 2d - Change in interest in net assets of Heifer International Foundation $5,941,503

Schedule D, Part XI, Line 4b - Revenue and direct expenses for special fundraising events are separately reported in audited financial statements

Schedule D, Part XII, Line 2d - Revenue and direct expenses for special fundraising events are netted in IRS Form 990 verse reported separately in the audited financial statments

Part XIII - Supplemental Information (Continued)

SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization: HEIFER PROJECT INTERNATIONAL

Employer identification number: 35-1019477

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) Sub-Saharan Africa	12	299	Program Services	Heifer provides gifts o	19,635,073
(2) North America (including C	2	5	Program Services	Heifer provides gifts o	584,594
(3) Central America and the Ca	4	51	Program Services	Heifer provides gifts o	4,778,063
(4) South America	3	49	Program Services	Heifer provides gifts o	6,974,823
(5) East Asia and the Pacific	7	104	Program Services	Heifer provides gifts o	5,834,466
(6) South Asia	3	68	Program Services	Heifer provides gifts o	4,696,997
(7) Russia and the newly indep	4	41	Program Services	Heifer provides gifts o	4,996,658
(8) Europe (including Iceland	5	32	Program Services	Heifer provides gifts o	4,574,983
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Sub-total					
b Total from continuation sheets to Part I					
c **Totals** (add lines 3a and 3b)	40	649			52,075,657

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)			North America (in	The purpose of gra	460,259	Wire Transfer	0		FMV
(2)			Europe (including	Institutional stre	300,000	Wire Transfer	0		FMV
(3)			Europe (including	Institutional stre	100,000	Wire Transfer	0		FMV
(4)			East Asia and the	Institutional stre	510,347	Wire Transfer	0		FMV
(5)			East Asia and the	The purpose of gra	300,000	Wire Transfer	0		FMV
(6)			Sub-Saharan Afric	Institutional stre	427,301	Wire Transfer	0		FMV
(7)			Sub-Saharan Afric	East Africa Dairy	2,623,698	Wire transfer	0		FMV
(8)			Sub-Saharan Afric	East Africa Dairy	596,963	Wire transfer	0		FMV
(9)			Sub-Saharan Afric	East Africa Dairy	332,676	Wire transfer	0		FMV
(10)			Sub-Saharan Afric	East Africa Dairy	208,122	Wire transfer	0		FMV
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ▶ 9

3 Enter total number of other organizations or entities . . . . ▶ 1

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* . . . ☑ Yes ☐ No

2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* . . . ☐ Yes ☑ No

3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. (see Instructions for Form 5471)* . . . ☐ Yes ☑ No

4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* . . . ☐ Yes ☑ No

5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865)* . . . ☐ Yes ☑ No

6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713)* . . . ☐ Yes ☑ No

Part V **Supplemental Information**

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Schedule F, Part I, Line 2 - HPI monitors grants in accordance with the Letter of Agreement between HPI and grantee. The grantee is required to submit financial and progress reports every year according to a format provided by HPI. The grantee shall maintain separate financial statements and records for the activities kept in accordance with the GAAP. Written receipts for all expenses and other supporting documents are required to be kept on file for at least 6 years after the end of the grant period.

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

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047
2012
Open to Public Inspection

Name of the organization: HEIFER PROJECT INTERNATIONAL
Employer identification number: 35-1019477

Part I **Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a ☑ Mail solicitations
- b ☑ Internet and email solicitations
- c ☑ Phone solicitations
- d ☑ In-person solicitations
- e ☑ Solicitation of non-government grants
- f ☑ Solicitation of government grants
- g ☑ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☑ Yes ☐ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions? Yes	No	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
1 See Schedule G, Part IV, Statement 1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total ▶				33,504,057	2,177,593	31,326,464

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

All States

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

			(a) Event #1 Beyond Hunger (event type)	(b) Event #2 Feast in the Field (event type)	(c) Other events 0 (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1	Gross receipts	114,503	39,925		154,428
	2	Less: Contributions	100,003	35,650		135,653
	3	Gross income (line 1 minus line 2)	14,500	4,275		18,775
Direct Expenses	4	Cash prizes	0	0		0
	5	Noncash prizes	0	0		0
	6	Rent/facility costs	0	28,886		28,886
	7	Food and beverages	42,194	8,468		50,662
	8	Entertainment	0	0		0
	9	Other direct expenses	3,118	0		3,118
	10	Direct expense summary. Add lines 4 through 9 in column (d) ▶				(82,666)
	11	Net income summary. Combine line 3, column (d), and line 10 ▶				-63,891

Part III **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

			(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1	Gross revenue				
Direct Expenses	2	Cash prizes				
	3	Noncash prizes				
	4	Rent/facility costs				
	5	Other direct expenses				
	6	Volunteer labor	☐ Yes ______ % ☐ No	☐ Yes ______ % ☐ No	☐ Yes ______ % ☐ No	
	7	Direct expense summary. Add lines 2 through 5 in column (d) ▶				( )
	8	Net gaming income summary. Combine line 1, column d, and line 7 ▶				

9 Enter the state(s) in which the organization operates gaming activities: ______

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: ______

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: ______

11 Does the organization operate gaming activities with nonmembers? . . . . ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in:

a	The organization's facility	**13a**	%
b	An outside facility	**13b**	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶

Address ▶

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ ____________ and the amount of gaming revenue retained by the third party ▶ $ ____________ .

c If "Yes," enter name and address of the third party:

Name ▶

Address ▶

16 Gaming manager information:

Name ▶

Gaming manager compensation ▶ $ ____________

Description of services provided ▶

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Fundraiser Activity Information

Name and Address	Activity	C1	Gross Receipts	C2	C3
Cravers Mathews Smith 1900 Campus Commons Drive Reston, VA 20191	Consults with Heifer International in-house marketing staff on direct response marketing strategies.	No	32,491,185	777,000	31,714,185
MDS Communications 545 W Juanita Avenue Mesa, AZ 85210	Consults with Heifer in-house marketing staff on telemarketing and provides telemarketing services.	No	1,012,872	1,242,993	-230,121
Eaglecom 641 Lexington Ave New York, NY 10022	Consults with Heifer on response-generating DRTV fundraising.	No	0	157,600	-157,600
Total:			**33,504,057**	**2,177,593**	**31,326,464**

C1 = Fundraiser control of funds?
C2 = Amount paid to (or retained by) fundraiser
C3 = Amount paid to (or retained by) organization

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No. 1545-0047
2012
Open to Public Inspection

Name of the organization: HEIFER PROJECT INTERNATIONAL
Employer identification number: 35-1019477

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.
Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Sch I, Stmt 1							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 1

3 Enter total number of other organizations listed in the line 1 table . . . ▶ 1

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

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

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Schedule I, Part I, Line 2 - Heifer Project International (HPI) monitors grants in accordance with the Letter of Agrement between HPI and grantee. The grantee is required to submit financial and progress reports every year according to a format provided by HPI. The grantee shall maintain separate financial statements and records for the activities kept in accordance with GAAP. Written receipts for all expenses and other supporting documents are required to be kept on file for at least 6 years after the end of the grant period.

Description of Grants and Other Assistance to Governments and Organizations in the United States

		Amount of cash grant	Amount of non-cash assistance
Name and address	East Arkansas Enterprise Community 1000 Airport Road Forrest City, AR 72336	790,137	
EIN	01-0570543		
IRC code section	501(C)(3)		
Method of valuation	Cash		
Description of non-cash assistance			
Purpose of grant	to create community food enterprises for healthy, local, organic food and to create jobs in communities linking small-scale farmers to larger and diverse markets.		
Name and address	Appalachian District Health Department 126 Poplar Grove Connector Boone, NC 28607	451,425	
EIN	56-6001534		
IRC code section	115		
Method of valuation	Cash		
Description of non-cash assistance			
Purpose of grant	to create community food enterprises for healthy, local, organic food and to create jobs in communities linking small-scale farmers to larger and diverse markets.		

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization: HEIFER PROJECT INTERNATIONAL

Employer identification number: 35-1019477

Part I Questions Regarding Compensation

				Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef)				
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain . . .	1b			
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? . . .	2			
3	Indicate which, if any, of the following the filing organization used 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. ☑ Compensation committee ☐ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☑ Form 990 of other organizations ☑ Approval by the board or compensation committee				
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:				
a	Receive a severance payment or change-of-control payment? . . .	4a		✓	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan? . . .	4b			✓
c	Participate in, or receive payment from, an equity-based compensation arrangement? . . .	4c			✓
	If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.				
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.				
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:				
a	The organization? . . .	5a			✓
b	Any related organization? . . .	5b			✓
	If "Yes" to line 5a or 5b, describe in Part III.				
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:				
a	The organization? . . .	6a			✓
b	Any related organization? . . .	6b			✓
	If "Yes" to line 6a or 6b, describe in Part III.				
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III . . .	7			✓
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III . . .	8			✓
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? . . .	9			

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 Pierre Ferrari, Chief Executive Officer	(i)	284,371	0	0	0	37,462	321,833	0
	(ii)	0	0	0	0	0	0	0
2 Steve Denne, Chief Operating Officer and Secretary	(i)	215,106	0	0	0	34,541	249,647	0
	(ii)	0	0	0	0	0	0	0
3 Robert Bloom, EVP, CFO and Treasurer	(i)	190,077	0	0	0	30,335	220,412	0
	(ii)	0	0	0	0	0	0	0
4 Cindy Jones-Nyland, Executive Vice President	(i)	177,138	0	0	0	24,117	201,255	0
	(ii)	0	0	0	0	0	0	0
5 James Neal, CFO	(i)	0	0	161,507	0	0	161,507	0
	(ii)	0	0	0	0	0	0	0
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Schedule J, Part I, Line 4 - James Neal $161,507: Separation / Consulting Agreements

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: HEIFER PROJECT INTERNATIONAL

Employer identification number: 35-1019477

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of issuer Yes	(h) On behalf of issuer No	(i) Pooled financing Yes	(i) Pooled financing No
A	City of Little Rock Arkansas, Heifer Project International Public Facilities Board	80-0311736		12/05/2008	5,700,000	Financing and refinancing capital improvements		✓		✓		✓
B	City of Little Rock Arkansas, Heifer Project International Public Facilities Board	80-0311736		12/05/2008	4,300,000	Financing and refinancing capital improvements		✓		✓		✓
C	City of Little Rock Arkansas, Heifer Project International Public Facilites Board	80-0311736		02/02/2009	9,300,000	Financing and refinancing capital improvements		✓		✓		✓
D												

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired	1,140,000		860,000		1,870,000			
2	Amount of bonds legally defeased	0		0		0			
3	Total proceeds of issue	5,700,000		4,300,000		9,300,000			
4	Gross proceeds in reserve funds	0		0		0			
5	Capitalized interest from proceeds	0		0		0			
6	Proceeds in refunding escrows	0		0		0			
7	Issuance costs from proceeds	33,640		25,377		30,903			
8	Credit enhancement from proceeds	0		0		0			
9	Working capital expenditures from proceeds	0		0		0			
10	Capital expenditures from proceeds	5,666,360		4,274,623		9,276,949			
11	Other spent proceeds	0		0		0			
12	Other unspent proceeds	0		0		0			
13	Year of substantial completion	2010		2011		2011			
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		✓		✓		✓		
15	Were the bonds issued as part of an advance refunding issue?		✓		✓		✓		
16	Has the final allocation of proceeds been made?	✓		✓		✓			
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	✓		✓		✓			

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		✓		✓		✓		
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?								
c	Are there any research agreements that may result in private business use of bond-financed property?		✓		✓		✓		
d	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?								
4	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 ▶		0 %		0 %		0 %		%
5	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 ▶		0 %		0 %		0 %		%
6	Total of lines 4 and 5		0 %		0 %		0 %		%
7	Does the bond issue meet the private security or payment test?		✓		✓		✓		
8a	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	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of		%		%		%		%
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9	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?	✓		✓		✓			

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

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

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?	✓		✓		✓			

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

SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

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

OMB No. 1545-0047

2012

Open To Public Inspection

Name of the organization	Employer identification number
HEIFER PROJECT INTERNATIONAL	35-1019477

Part I **Types of Property**

		(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1	Art—Works of art				
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded	✓	301	1,748,990	Value at time of receipt
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution—Historic structures				
14	Qualified conservation contribution—Other				
15	Real estate—Residential				
16	Real estate—Commercial				
17	Real estate—Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▶ (Miscellaneous)	✓	5	6,896	Fair Market Value
26	Other ▶ ( )				
27	Other ▶ ( )				
28	Other ▶ ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . . 29 | 0

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

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization	Employer identification number
HEIFER PROJECT INTERNATIONAL	35-1019477

Form 990, Part VI, Section A, Line 7a - According to the articles of incorporation and bylaws of Heifer Project International the Board of Directors shall include "Five Covenant Agency Directors; one appointed by the Church of the Brethren".

Form 990, Part VI, Section B, Line 11b - An initial draft of Heifer International's Form 990 was completed by its internal staff, with assistance from an external accounting and advisory firm engaged to provide a third party review. The draft was then circulated for further review, via electronic mail, to a group of four (4) Heifer International Board Members. A telephonic meeting was held on November 7, 2013, during which Heifer International's internal staff presented the draft to the group, and accepted comments and questions. While this group did review and provide comments and questions, Heifer International's Board relied upon Heifer International's internal staff to properly complete the Form 990. Heifer International staff then made adjustments and modifications to the draft and, with continuing assistance from the external firm, finalized its Form 990. Once the Form 990 was final it was delivered to all Heifer International Board Members via electronic mail, and then e-filed with the Internal Revenue Service.

Form 990, Part VI, Section B, Line 12c - Heifer has had a code of conduct in place since March of 2000 for its Board of Directors, and the code of conduct contains a conflict of interest section. Heifer has had a conflict of interest policy in place for its employees since December of 2001. Board members are required to annually disclose interests that could give rise to conflicts. Employees are encouraged to report suspected conflicts of interest to their supervisors or to human resources. In addition, Heifer provides an anonymous confidential reporting outlet for use in reporting behavior or activities that appear to violate Heifer policies. Both the board and senior management address conflicts of interest on a case-by-case basis as they arise.

Form 990, Part VI, Section B, Line 15 - In accordance with governance policies and procedures, the president and CEO's performance is reviewed annually. Merit increases, base salary adjustments and or bonuses are considered as part of that review and monitoring process. The Heifer Board of Directors utilizes an independent analysis conducted by an outside consulting firm to assist in the analysis and subsequent recommendations for compensation adjustments. The approach used by the consulting firm utilizes market data obtained from two highly regarded national compensation surveys of not for profit organizations and data on total cash compensation for CEOs of nine organizations with comparable mission, scope and operating budget based on information obtained from IRS form 990s. Each member of the Heifer Board of Directors has the opportunity to complete and submit a performance evaluation form for the CEO. The results are compiled and reviewed with the CEO by the executive committee of the board. The executive committee then presents, for approval, its findings and recommendations to the full Board of Directors. These findings and recommendations include adjustments to compensation if warranted and supported by organizational funding availability and independent market analysis.

Form 990, Part VI, Section C, Line 19 - Audited financial statements are available upon request; other select documents are made available for inspection at Heifer Project International headquarters in Little Rock, Arkansas.

Form 990, Part XI, Line 9 - Change in interest in net assets of Heifer International Foundation $5,941,503 Foreign Currency Translation Adjustment ($317,809)

Name Of Foreign Country

Name
Albania
Armenia
Bangladesh
Bolivia
Brazil
Canada
Cambodia
Cameroon
Ecuador
Georgia
Ghana
Guatemala
Haiti
Honduras
Indonesia
India
Kenya
Kosovo
Lithuania
Slovakia
Malawi
Macedonia
Mexico
Mozambique
Nepal
Nicaragua
Peru
Poland
Romania
Philippines
Russia
Rwanda
Senegal
Sierra Leone
Thailand
Tanzania
Uganda
Ukraine

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HEIFER PROJECT INTERNATIONAL
35-1019477

States Where Copy Of Return Is Filed

States
AK
AL
AR
AZ
CA
CO
CT
DC
DE
FL
GA
HI
IA
ID
IL
IN
KS
KY
LA
MA
MD
ME
MI
MN
MO
MS
MT
NC
ND
NE
NH
NJ
NM
NV
NY
OH
OK
OR
PA

RI

SC

SD

TN

TX

UT

VA

VT

WA

WI

WV

WY