

COMMITTEE ON NATURAL RESOURCES
Disclosure Form
As required by and provided for in House Rule XI, clause 2(g) and
the Rules of the Committee on Natural Resources

“Challenges facing Domestic Oil and Gas Development: Review of Bureau of Land Management/U.S. Forest Service Ban on Horizontal Drilling on Federal Lands” July 8th, 2011

For Individuals:

1. Name:
2. Address:
3. Email Address:
4. Phone Number:

* * * * *

For Witnesses Representing Organizations:

1. Name: Kate Wofford
2. Name of Organization(s) You are Representing at the Hearing:
Shenandoah Valley Network
3. Business Address: PO Box 186 Luray, VA 22835
4. Business Email Address: [Information redacted for privacy]
5. Business Phone Number: 540.987.8155

Name/Organization _____ Kate Wofford, Shenandoah Valley Network__

Title/Date of Hearing _____

“Challenges facing Domestic Oil and Gas Development: Review of Bureau of Land Management/U.S. Forest Service Ban on Horizontal Drilling on Federal Lands” July 8th, 2011

a. Any training or educational certificates, diplomas or degrees or other educational experiences that are relevant to your qualifications to testify on or knowledge of the subject matter of the hearing.

Masters of Forest Science, Yale University School of Forestry and Environmental Studies

b. Any professional licenses, certifications, or affiliations held that are relevant to your qualifications to testify on or knowledge of the subject matter of the hearing.

c. Any employment, occupation, ownership in a firm or business, or work-related experiences that relate to your qualifications to testify on or knowledge of the subject matter of the hearing.

Executive Director, Shenandoah Valley Network

d. Any federal grants or contracts (including subgrants or subcontracts) from the *Department of the Interior (and /or other agencies invited)* that you have received in the current year and previous four years, including the source and the amount of each grant or contract.

The NPS American Battlefield Protection Program awarded Shenandoah Valley Network a grant to support our work in preserving and promoting the Civil War Battlefields in Shenandoah and Rockingham Counties. Grant award is \$21,500.

e. A list of all lawsuits or petitions filed by you against the federal government in the current year and the previous four years, giving the name of the lawsuit or petition, the subject matter of the lawsuit or petition, and the federal statutes under which the lawsuits or petitions were filed.

Citizen Petition Requesting the Completion of a Programmatic Environmental Impact Statement and Regulations Addressing the Cumulative Impacts of Drilling in the Marcellus Shale Formation in the Chesapeake Bay States The subject matter is requesting CEQ and the other federal agencies to complete a PEIS addressing the cumulative impacts from drilling. The federal statutes are NEPA and the APA.

SHENANDOAH VALLEY NETWORK, *et al.* Plaintiffs v. J. RICHARD CAPKA, ADMINISTRATOR, FEDERAL HIGHWAY ADMINISTRATION, *et al.*, A Shenandoah County resident and a coalition of conservation groups working in the northern Shenandoah Valley filed suit in federal district court to prevent the Virginia Department of Transportation and the Federal Highway Administration from implementing a plan to widen I-81 to eight or more lanes, an expansion to be funded by federal funds and tolls on cars and trucks. The federal statutes is NEPA.

f. Any other information you wish to convey that might aid the Members of the Committee to better understand the context of your testimony.

Name/Organization _____ Kate Wofford, Shenandoah Valley Network__

Title/Date of Hearing _____

“Challenges facing Domestic Oil and Gas Development: Review of Bureau of Land Management/U.S. Forest Service Ban on Horizontal Drilling on Federal Lands” July 8th, 2011

In addition, for witnesses representing organizations:

g. Any offices, elected positions, or representational capacity held in the organization(s) on whose behalf you are testifying.

h. Any federal grants or contracts (including subgrants or subcontracts) from the *Department of the Interior (and /or other agencies invited)* that were received in the current year and previous four years by the organization(s) you represent at this hearing, including the source and amount of each grant or contract for each of the organization(s).

see above, ABPP

i. A list of all lawsuits or petitions filed by the organization(s) you represent at the hearing against the federal government in the current year and the previous four years, giving the name of the lawsuit or petition, the subject matter of the lawsuit or petition, and the federal statutes under which the lawsuits or petitions were filed for each of the organization(s).

see above

j. A list of any countries from which the organization(s) you represent at the hearing have received foreign donations and the total amount of donations received from each country, for the current year and the previous four years, by each organization.

k. For tax-exempt organizations and non-profit organizations, copies of the three most recent public IRS Form 990s (including Form 990-PF, Form 990-N, and Form 990-EZ) for each of the organization(s) you represent at the hearing (not including any contributor names and addresses or any information withheld from public inspection by the Secretary of the Treasury under 26 U.S.C. 6104)).

Shenandoah Valley Network’s fiscal agent is Piedmont Environmental Council of Warrenton Virginia. Three 990’s will be sent by email.

Return of Organization Exempt From Income Tax

2009

Department of the Treasury Internal Revenue Service

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.

Open to Public Inspection

For the 2009 calendar year, or tax year beginning 2009, and ending

Form header section containing B (Check if applicable), C (Name of organization), D (Employer Identification Number), E (Telephone number), F (Name and address of principal officer), G (Gross receipts), I (Tax-exempt status), J (Website), K (Form of organization), L (Year of formation), and M (State of legal domicile).

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include 1 (Mission), 2-6 (Activities & Governance), 7a-7b (Revenue/Expenses), 8-12 (Revenue), 13-19 (Expenses), and 20-22 (Net Assets or Fund Balances).

Part II Signature Block

Signature block section with declaration text, signature of Christopher G. Miller, and date August 14, 2010.

Paid Preparer's Use Only section with fields for preparer's signature, firm name, EIN, and phone number.

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

PEC Mission Statement - see Schedule O

See Form 990, Page 2, Part III, Line 1 (continued)

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes No

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes No

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

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 2,266,388. including grants of \$ 924,543.) (Revenue \$ 0.)

County Issues-Analyze county planning proposals for environmental impact and develop sound conservation alternatives.

4b (Code:) (Expenses \$ 951,876. including grants of \$ 295,982.) (Revenue \$ 19,120.)

Environmental Education-Analyze county and regional land use policies and provide public education, including seminars for professionals working in the field and youth education through summer daycamps and internship programs.

Environmental Education includes seminars for attorneys, CPA's, accountants, farmers and other landowners on all aspects of conserving land. PEC also created and maintains a heavily utilized website, explaining all aspects of its operations in land use planning, land and environmental conservation, growth management and transportation reform.

4c (Code:) (Expenses \$ 735,791. including grants of \$ 30,883.) (Revenue \$ 0.)

Land Conservation-Research and apply the economics of rural land preservation, provide public education on land conservation options and acquire and preserve vital property

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

(Expenses \$ 1,040,046. including grants of \$ 2,379.) (Revenue \$ 0.)

4e Total program service expenses 4,994,101.

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If 'Yes,' complete Schedule A</i>	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If 'Yes,' complete Schedule C, Part I</i>		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? <i>If 'Yes,' complete Schedule C, Part II</i>	X	
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If 'Yes,' complete Schedule C, Part III</i>		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If 'Yes,' complete Schedule D, Part I</i>		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If 'Yes,' complete Schedule D, Part II</i>	X	
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If 'Yes,' complete Schedule D, Part III</i>		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If 'Yes,' complete Schedule D, Part IV</i>		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If 'Yes,' complete Schedule D, Part V</i>		X
11	Is the organization's answer to any of the following questions 'Yes'? <i>If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i>	X	
	• Did the organization report an amount for land, buildings and equipment in Part X, line 10? <i>If 'Yes,' complete Schedule D, Part VI</i>		
	• Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VII</i>		
	• Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VIII</i>		
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part IX</i>		
	• Did the organization report an amount for other liabilities in Part X, line 25? <i>If 'Yes,' complete Schedule D, Part X</i>		
	• 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? <i>If 'Yes,' complete Schedule D, Part X</i>		
12	Did the organization obtain separate, independent audited financial statement for the tax year? <i>If 'Yes,' complete Schedule D, Parts XI, XII, and XIII</i>	X	
12A	Was the organization included in consolidated, independent audited financial statement for the tax year? <i>If 'Yes,' completing Schedule D, Parts XI, XII, and XIII is optional</i>		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If 'Yes,' complete Schedule E</i>		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
14b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If 'Yes,' complete Schedule F, Part I</i>		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If 'Yes,' complete Schedule F, Part II</i>		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If 'Yes,' complete Schedule F, Part III</i>		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If 'Yes,' complete Schedule G, Part I</i>		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If 'Yes,' complete Schedule G, Part II</i>	X	
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If 'Yes,' complete Schedule G, Part III</i>		X
20	Did the organization operate one or more hospitals? <i>If 'Yes,' complete Schedule H</i>		X

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1 a	Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	79	
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
1 c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
2 a	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	62	
2 b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
3 b	If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O		
4 a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4 b	If 'Yes,' enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5 c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6 a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	X	
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible?	X	
7	Organizations that may receive deductible contributions under section 170(c).		
7 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?	X	
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	X	
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year		
7 e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7 g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
7 h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
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?		
9	Sponsoring organizations maintaining donor advised funds.		
9 a	Did the organization make any taxable distributions under section 4966?		
9 b	Did the organization make any distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10 a	Initiation fees and capital contributions included on Part VIII, line 12		
10 b	Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11 a	Gross income from other members or shareholders		
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year		

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.

Section A. Governing Body and Management

	Yes	No
1 a Enter the number of voting members of the governing body		
1 a	44	
b Enter the number of voting members that are independent		
1 b	44	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	X	
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?		X
3		
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
4		
5 Did the organization become aware during the year of a material diversion of the organization's assets?		X
5		
6 Does the organization have members or stockholders?		X
6		
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7a		
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
7b		
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
8a		
b Each committee with authority to act on behalf of the governing body?	X	
8b		
9 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X
9		

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

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?		X
10a		
b If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10b		
11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
11		
11A Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Does the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
12a		
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12b		
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done	X	
12c		
13 Does the organization have a written whistleblower policy?	X	
13		
14 Does the organization have a written document retention and destruction policy?	X	
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	X	
15a		
b Other officers of key employees of the organization	X	
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?		X
16a		
b If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		
16b		

Section C. Disclosures

- 17 List the states with which a copy of this Form 990 is required to be filed ▶ See States Form 990 Filed In
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:
 ▶ Jay Clevenson 45 Horner Street Warrenton, VA 20186 (540) 347-2334

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

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

1 a 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. Use Schedule J-2 if additional space is needed.

- 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. See instructions for definition of 'key employees.'
- 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 the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
David Massie Director	2.00	X					0.	0.	0.	
John P. Merrill, Jr. Director	2.00	X					0.	0.	0.	
Nancy Baudhuin Director	2.00	X					0.	0.	0.	
Malcolm Baldwin Director	2.00	X					0.	0.	0.	
Steve Lamb Director	2.00	X					0.	0.	0.	
Virginia Dawson Dorkey Director	2.00	X					0.	0.	0.	
Alton Keel Director	5.00	X					0.	0.	0.	
Mark J. Ohrstrom Vice-Chair	5.00	X		X			0.	0.	0.	
Scott Kasprowicz Vice-Chair	5.00	X		X			0.	0.	0.	
John H. Birdsall, III Director	2.00	X					0.	0.	0.	
Mary Mills Abel Smith Director	2.00	X					0.	0.	0.	
R. Barry Hamilton Treasurer	5.00	X		X			0.	0.	0.	
Ronald Bird Director	2.00	X					0.	0.	0.	
Marie Ridder Director	2.00	X					0.	0.	0.	
Leslie Cockburn Director	2.00	X					0.	0.	0.	
Roy Dye Director	2.00	X					0.	0.	0.	
Lynn Coleman Director	5.00	X					0.	0.	0.	

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Lindy Sanford Director	2.00	X						0.	0.	0.
Antoinette Brewster Director	2.00	X						0.	0.	0.
James Kleeblatt Director	2.00	X						0.	0.	0.
Brian Conboy Director	2.00	X						0.	0.	0.
Marcia B. deGarmo Secretary	5.00	X		X				0.	0.	0.
George Ohrstrom, II Director	2.00	X						0.	0.	0.
Alan Dranitzke Director	2.00	X						0.	0.	0.
Judy Randall Director	2.00	X						0.	0.	0.
Linda Ingram Director	2.00	X						0.	0.	0.
John Jaske Director	2.00	X						0.	0.	0.
Jean Perin Director	2.00	X						0.	0.	0.
John H. Snyder Vice-Chair	5.00	X		X				0.	0.	0.
David Crowe Vice-Chair	5.00	X		X				0.	0.	0.
1 b Total								402,010.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ▶ 3

	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	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If 'Yes' complete Schedule J for such individual	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If 'Yes,' complete Schedule J for such person	5	X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of Services	(C) Compensation
GEORGIA H. HERBERT P.C. P.O. BOX 21 The Plains VA 20198	General Counsel-see note	190,770.

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

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1a Federated campaigns	1a	104.				
	b Membership dues	1b	0.				
	c Fundraising events	1c	76,016.				
	d Related organizations	1d	358,000.				
	e Government grants (contributions)	1e	207,000.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	8,059,378.				
	g Noncash contribns included in lns 1a-1f:		\$ 2,424,173.				
	h Total. Add lines 1a-1f		8,700,498.				
PROGRAM SERVICE REVENUE	Business Code						
	2a <u>Environmental Day Camps</u>	611600	14,865.	14,865.	0.	0.	
	b <u>Seminar Fees</u>	611600	1,091.	1,091.	0.	0.	
	c						
	d						
	e						
	f All other program service revenue		3,164.	3,164.	0.	0.	
g Total. Add lines 2a-2f		19,120.					
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		54,021.	0.	0.	54,021.	
	4 Income from investment of tax-exempt bond proceeds		0.	0.	0.	0.	
	5 Royalties		0.	0.	0.	0.	
	6a Gross Rents	(i) Real	0.				
		(ii) Personal	0.				
		b Less: rental expenses	0.				
		c Rental income or (loss)	0.				
	d Net rental income or (loss)		0.	0.	0.	0.	
	7a Gross amount from sales of assets other than inventory	(i) Securities	615,736.				
		(ii) Other	1,300,000.				
		b Less: cost or other basis and sales expenses	624,173.				
		c Gain or (loss)	-8,437.				
	d Net gain or (loss)		272,024.	0.	0.	272,024.	
	8a Gross income from fundraising events (not including \$ <u>76,016.</u> of contributions reported on line 1c). See Part IV, line 18	a	100,252.				
b Less: direct expenses		b	100,252.				
c Net income or (loss) from fundraising events			0.	0.	0.	0.	
9a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
10a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11a							
b							
c							
d All other revenue							
e Total. Add lines 11a-11d							
12 Total revenue. See instructions			9,045,663.	19,120.	0.	326,045.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	1,255,148.	1,255,148.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.	0.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.	0.		
4 Benefits paid to or for members	0.	0.		
5 Compensation of current officers, directors, trustees, and key employees	402,011.	356,467.	25,910.	19,634.
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	2,033,906.	1,803,487.	131,086.	99,333.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0.	0.	0.	0.
9 Other employee benefits	63,558.	56,358.	4,096.	3,104.
10 Payroll taxes	81,081.	71,895.	5,226.	3,960.
11 Fees for services (non-employees)				
a Management	0.	0.	0.	0.
b Legal	126,712.	126,712.	0.	0.
c Accounting	11,200.	6,400.	4,800.	0.
d Lobbying	37,000.	37,000.	0.	0.
e Prof fundraising svcs. See Part IV, ln 17	0.			0.
f Investment management fees	0.	0.	0.	0.
g Other	585,803.	581,726.	1,118.	2,959.
12 Advertising and promotion	624.	126.	0.	498.
13 Office expenses	70,203.	64,037.	1,702.	4,464.
14 Information technology	0.	0.	0.	0.
15 Royalties	0.	0.	0.	0.
16 Occupancy	136,525.	129,707.	2,766.	4,052.
17 Travel	46,336.	44,093.	575.	1,668.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.	0.	0.	0.
19 Conferences, conventions, and meetings	27,952.	27,270.	45.	637.
20 Interest	77,571.	76,170.	797.	604.
21 Payments to affiliates	0.	0.	0.	0.
22 Depreciation, depletion, and amortization	32,076.	28,443.	2,067.	1,566.
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a <u>Printing and Copying</u>	120,013.	105,590.	380.	14,043.
b <u>Telephone, Internet</u>	91,313.	84,418.	1,256.	5,639.
c <u>Dues, Subscriptions</u>	27,073.	24,397.	1,414.	1,262.
d <u>Publications and Maps</u>	2,696.	2,597.	11.	88.
e <u>Real Estate Taxes</u>	27,026.	25,618.	798.	610.
f All other expenses	97,916.	86,442.	1,987.	9,487.
25 Total functional expenses. Add lines 1 through 24f	5,353,743.	4,994,101.	186,034.	173,608.
26 Joint costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation	18,341.	16,524.	0.	1,817.

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
ASSETS	1	Cash – non-interest-bearing	0.	1	0.
	2	Savings and temporary cash investments	109,101.	2	135,318.
	3	Pledges and grants receivable, net	858,224.	3	654,923.
	4	Accounts receivable, net	0.	4	0.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0.	5	0.
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L	0.	6	0.
	7	Notes and loans receivable, net	1,895,000.	7	1,809,300.
	8	Inventories for sale or use	0.	8	0.
	9	Prepaid expenses and deferred charges	46,382.	9	46,127.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 742,540.		
	b	Less: accumulated depreciation.	10b 379,007.	10c	363,533.
	11	Investments – publicly-traded securities	0.	11	0.
	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	3,548,688.	15	5,901,534.
16	Total assets. Add lines 1 through 15 (must equal line 34)	6,852,994.	16	8,910,735.	
LIABILITIES	17	Accounts payable and accrued expenses	654,225.	17	439,649.
	18	Grants payable	0.	18	0.
	19	Deferred revenue	0.	19	0.
	20	Tax-exempt bond liabilities	0.	20	0.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0.	22	0.
	23	Secured mortgages and notes payable to unrelated third parties	1,899,600.	23	1,800,000.
	24	Unsecured notes and loans payable to unrelated third parties	450,000.	24	0.
	25	Other liabilities. Complete Part X of Schedule D	1,694,293.	25	824,290.
	26	Total liabilities. Add lines 17 through 25	4,698,118.	26	3,063,939.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.				
	27	Unrestricted net assets	-631,799.	27	89,403.
	28	Temporarily restricted net assets	2,786,675.	28	5,757,393.
	29	Permanently restricted net assets	0.	29	0.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, and equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances.	2,154,876.	33	5,846,796.	
34	Total liabilities and net assets/fund balances.	6,852,994.	34	8,910,735.	

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Part XI Financial Statements and Reporting

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?

b Were the organization's financial statements audited by an independent accountant?

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.

d If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both:

Separate basis Consolidated basis Both consolidated and separate basis

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

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.

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

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Form 990 (2009)

SCHEDULE J-2
(Form 990)

Continuation Sheet for Form 990

OMB No. 1545-0047

2009

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.
▶ See instructions for Form 990.

Department of the Treasury
Internal Revenue Service

Open to Public Inspection

Name of the Organization

Employer Identification number

The Piedmont Environmental Council, Inc.

54-0935569

Part I Continuation: Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Robert French Director	2.00	X						0.	0.	0.
Nicholas Snow Director	2.00	X						0.	0.	0.
Steven Brooks Director	2.00	X						0.	0.	0.
Merrill Strange Director	2.00	X						0.	0.	0.
Peter Railey Taylor Director	2.00	X						0.	0.	0.
Carlton Vanderwarker, Jr. Chair	10.00	X		X				0.	0.	0.
W. Von Rabb Director	2.00	X						0.	0.	0.
Margaret Richardson Director	2.00	X						0.	0.	0.
Scott Elliff Director	5.00	X						0.	0.	0.
William Wolf Director	2.00	X						0.	0.	0.
Annie T. Williams Director	2.00	X						0.	0.	0.
David Perdue Director	2.00	X						0.	0.	0.
David Aldrich Director	2.00	X						0.	0.	0.
Christopher G. Miller President	50.00			X	X	X		180,354.	0.	0.
Jay Clevenson Director of Finance	50.00				X	X		109,731.	0.	0.
Douglas Larson Vice-President	50.00				X	X		111,925.	0.	0.
Luciana Duvall Director	2.00	X						0.	0.	0.

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.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.') ...	5,346,456.	5,034,343.	6,325,222.	6,262,154.	6,259,378.	29,227,553.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	0.	0.	0.	0.	0.	0.
3 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge	0.	0.	0.	0.	0.	0.
4 Total. Add lines 1-through 3	5,346,456.	5,034,343.	6,325,222.	6,262,154.	6,259,378.	29,227,553.
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) ...						2,840,420.
6 Public support. Subtract line 5 from line 4						26,387,133.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	5,346,456.	5,034,343.	6,325,222.	6,262,154.	6,259,378.	29,227,553.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	29,623.	61,834.	56,813.	54,803.	54,021.	257,094.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0.	0.	0.	0.	0.	0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	0.	0.	0.	0.	0.	0.
11 Total support. Add lines 7 through 10						29,484,647.
12 Gross receipts from related activities, etc. (see instructions)					12	0.

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 2009 (line 6, column (f) divided by line 11, column (f))	14	89.49%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	88.88%

16a **33-1/3 support test – 2009.** If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization.

b **33-1/3 support test – 2008.** If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization.

17a **10%-facts-and-circumstances test – 2009.** 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 – 2008.** 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 II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

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

Limits on Lobbying Expenditures – (The term 'expenditures' means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1 a	Total lobbying expenditures to influence public opinion (grass roots lobbying)	39,875.	39,875.												
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	80,592.	80,592.												
c	Total lobbying expenditures (add lines 1a and 1b)	120,467.	120,467.												
d	Other exempt purpose expenditures	5,233,276.	7,381,519.												
e	Total exempt purpose expenditures (add lines 1c and 1d)	5,353,743.	7,501,986.												
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	417,687.	525,099.												
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g	Grassroots nontaxable amount (enter 25% of line 1f)	104,422.	131,275.												
h	Subtract line 1g from line 1a. If zero or less, enter -0-	0.	0.												
i	Subtract line 1f from line 1c. If zero or less, enter -0-	0.	0.												
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No													

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2a Lobbying non-taxable amount	409,916.	515,380.	543,984.	525,099.	1,994,379.
b Lobbying ceiling amount (150% of line 2a, column (e))					2,991,569.
c Total lobbying expenditures	191,296.	182,818.	187,985.	120,467.	682,566.
d Grassroots nontaxable amount	120,144.	128,845.	135,996.	131,275.	516,260.
e Grassroots ceiling amount (150% of line 2d, column (e))					774,390.
f Grassroots lobbying expenditures	71,152.	95,757.	92,554.	39,875.	299,338.

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

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities? If 'Yes,' describe in Part IV			
j Total. Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If 'Yes,' enter the amount of any tax incurred under section 4912			
c If 'Yes,' enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Pt I-A Line 1 PEC does not engage in any political campaign activity,
nor does it have any involvement in promoting a
particular candidate running for elective office.
It does, however, expend a small percentage of its
operating budget on lobbying.

Part IV Supplemental Information (continued)

The lobbying work advances many of the exempt purpose missions of PEC that focus on the following areas of environmental and historic concerns:

-conservation of appropriate lands and historic and scenic landscapes to help ensure the Virginia

Piedmont is always characterized by its open spaces, healthy environment and healthy resources;

-protecting farmland and forests which produce the necessities of life and provide essential natural services;

-promoting clean air for a healthy human and natural environment and water safe for drinking, swimming and fishing;

-energy solutions which emphasize efficiency and use of appropriate technology that respects the scenic and historic character of the Virginia Piedmont;

-promotion of land use policy that protects natural resources and leads to development of better communities that are integral to each other;

-transportation solutions that abate pollution and enhance the aforementioned corporate objectives.

PEC spends about 3% or less of its charitable budget for lobbying, far less than the amount allowed by the IRS. Actions consist of meeting with lawmakers or their staffs to discuss legislation that might impact PEC's mission, as well well as advising the members of the public to contact their representatives if an issue of concern is going to be decided. PEC's contact with the public is generally limited to individuals who have provided PEC with contact information

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

Supplemental Financial Statements

▶ Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions

OMB No. 1545-0047

2009

Open to Public Inspection

Employer Identification number

The Piedmont Environmental Council, Inc.

54-0935569

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

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

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

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

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input checked="" type="checkbox"/> Preservation of an historically important land area
<input checked="" type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input checked="" type="checkbox"/> 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 Year
a Total number of conservation easements	2a 41
b Total acreage restricted by conservation easements	2b 6,391.6
c Number of conservation easements on a certified historic structure included in (a)	2c 0
d Number of conservation easements included in (c) acquired after 8/17/06	2d 0

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ 1

4 Number of states where property subject to conservation easement is located ▶ 1

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easement it holds?

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ 520

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ 65,000.

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

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

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

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

b If the organization elected, as permitted under SFAS 116, 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 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 and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

- 1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If 'Yes,' explain the arrangement in Part XIV and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1 c |
| d Additions during the year | 1 d |
| e Distributions during the year | 1 e |
| f Ending balance | 1 f |
- 2a Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b If 'Yes,' explain the arrangement in Part XIV.

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

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

- 2 Provide the estimated percentage of the year end balance held as:
- a Board designated or quasi-endowment _____ %
 - b Permanent endowment _____ %
 - c Term endowment _____ %
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---|--------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4 Describe in Part XIV the intended uses of the organization's endowment funds.

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated Depreciation	(d) Book Value
1a Land		76,206.		76,206.
b Buildings		516,783.	281,122.	235,661.
c Leasehold improvements		45,076.	18,647.	26,429.
d Equipment		104,475.	79,238.	25,237.
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				363,533.

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
Financial derivatives		
Closely-held equity interests		
Other -----		

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
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
Land held for conservancy - Ovoka Farm	2,526,534.
appx 500 acres (at 12/31/09) adjacent to Paris, Va. and Ashby Gap in the Virginia Piedmont valued at cost - (740 acres at 1/1/09)	
Andrusia Property - 268 acres in Orange County.	1,800,000.
Donated to PEC in 2009 and valued at assessed value Land is being held for conservation purposes	
Gilbert's Corner Property - 68 acres in	1,575,000.
Loudoun County, Va. Acquired in a 2009 purchase	
See Part IX Investments - Other Assets	
Total. (Column (b) must equal Form 990, Part X, col.(B), line 15) ▶	5,901,534.

Part X Other Liabilities (See Form 990, Part X, line 25)

(a) Description of Liability	(b) Amount
Federal Income Taxes	
The Piedmont Foundation - (Loan to PEC)	824,290.
Piedmont Foundation is a supporting organization to PEC	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25) ▶	824,290.

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)		9,045,663.
2	Total expenses (Form 990, Part IX, column (A), line 25)		5,353,743.
3	Excess or (deficit) for the year. Subtract line 2 from line 1		3,691,920.
4	Net unrealized gains (losses) on investments		
5	Donated services and use of facilities		
6	Investment expenses		
7	Prior period adjustments		
8	Other (Describe in Part XIV)		
9	Total adjustments (net). Add lines 4 through 8		
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9		3,691,920.

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

1	Total revenue, gains, and other support per audited financial statements		1	9,045,663.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
	a Net unrealized gains on investments	2a		
	b Donated services and use of facilities	2b		
	c Recoveries of prior year grants	2c		
	d Other (Describe in Part XIV)	2d		
	e Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	9,045,663.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
	a Investment expenses not included on Form 990, Part VIII, line 7b	4a		
	b Other (Describe in Part XIV)	4b		
	c Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	9,045,663.

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

1	Total expenses and losses per audited financial statements		1	5,353,743.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
	a Donated services and use of facilities	2a		
	b Prior year adjustments	2b		
	c Other losses	2c		
	d Other (Describe in Part XIV)	2d		
	e Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	5,353,743.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
	a Investment expenses not included on Form 990, Part VIII, line 7b	4a		
	b Other (Describe in Part XIV)	4b		
	c Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	5,353,743.

Part XIV Supplemental Information

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

Pt X - line 2 The Financial Accounting Standards Board issued new guidance on
accounting for uncertainty in income taxes. The Foundation adopted
new guidance for the year ended December 31, 2009.
Management evaluated the Council's tax positions and concluded that
the Council had taken no uncertain tax positions that require
adjustment to the financial statements to comply with the
provisions of this guidance. With few exceptions, the Council
is no longer subject to income tax examinations by the

Part XIV Supplemental Information (continued)

U.S. federal, state or local tax authorities for years before 2006.

Pt II Line 9

Conservation easements are intangible assets representing restrictions on the development of real property, conveyed by a property owner to PEC.

PEC accepts and holds or co-holds these easements in order to protect the owned property in perpetuity. Conservation easements, by their nature, have no market value, as they cannot be sold or exchanged for remuneration. Thus, when PEC has responsibility for enforcing an easement, i.e. it is the sole holder or a co-holder, this information is not reflected in the Financial Statements. The number of easements is, however, reported in the Notes to the Financial Statements.

Pt II Line 3

One easement, donated to PEC in 2008, was transferred to the Virginia Outdoors Foundation in 2009.

Pt II Line 5

PEC policies require monitoring and annual inspection of all easements that it holds or co-holds with primary monitoring responsibility. Possible violations are dealt with on a case-by-case basis, and if an appropriate resolution between PEC and the land owner is not achieved, further action may be required. PEC is currently suing a landowner for easement violations.

Part II Fundraising Events. Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events	
		<u>Dinner Dance</u> (event type)	<u>Concert</u> (event type)	<u>FOUR EVENTS</u> (total number)	(Add col. (a) through col. (c))	
REVENUE	1	Gross receipts	93,475.	19,775.	63,018.	176,268.
	2	Less: Charitable contributions	39,533.	9,813.	26,670.	76,016.
	3	Gross income (line 1 minus line 2)	53,942.	9,962.	36,348.	100,252.
DIRECT EXPENSES	4	Cash prizes	0.	0.	0.	0.
	5	Noncash prizes	0.	0.	0.	0.
	6	Rent/facility costs	20,773.	750.	5,455.	26,978.
	7	Food and beverages	36,176.	1,712.	12,596.	50,484.
	8	Entertainment	11,993.	7,500.	2,000.	21,493.
	9	Other direct expenses	0.	0.	1,297.	1,297.
	10	Direct expense summary. Add lines 4- through 9 in column (d)				100,252.
	11	Net income summary. Combine lines 3, column (d) and line 10				0.

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	Non-cash 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 lines 1, column (d) and line 7					

	YES	NO
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?	9a	
b If 'No,' explain: -----		
10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a	
b If 'Yes,' explain: -----		
11 Does the organization operate gaming activities with nonmembers?	11	
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?	12	

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 contact with a third party from whom the organization receives gaming revenue?

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?

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: ▶ \$ _____

YES NO

15a

17a

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

2009

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

Department of the Treasury
Internal Revenue Service

Open to Public
Inspection

Name of the organization: The Piedmont Environmental Council, Inc.
 Employer identification number: 54-0935569
Part I General Information on Grants and Assistance

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

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

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered 'Yes' to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) 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
<u>Land Trust Alliance</u> <u>1660 L ST., NW #1100</u> <u>Washington DC 20036</u>	<u>04-2751357</u>	<u>501 (c) 3</u>	<u>35,000.</u>	<u>0.</u>	<u>n/a</u>	<u>n/a</u>	<u>see note</u>
<u>Local Food Hub, Inc.</u> <u>P. O. Box 4647</u> <u>CHARLOTTESVILLE VA 22905</u>	<u>26-4137130</u>	<u>501 (c) 3</u>	<u>299,324.</u>	<u>0.</u>	<u>n/a</u>	<u>n/a</u>	<u>see note</u>
<u>National Trust (note)</u> <u>1785 MASS AVE NW</u> <u>Washington DC 20036</u>	<u>53-0210807</u>	<u>501 (c) 3</u>	<u>797,262.</u>	<u>0.</u>	<u>n/a</u>	<u>n/a</u>	<u>see note</u>
<u>The Piedmont Foundation</u> <u>P. O. Box 460</u> <u>Warrenton VA 20188</u>	<u>54-1954368</u>	<u>501 (c) 3</u>	<u>25,000.</u>	<u>0.</u>	<u>n/a</u>	<u>n/a</u>	<u>see note</u>
<u>8 other donations</u> <u>under \$1,000</u>		<u>501 (c) 3</u>					

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. Use Part IV and Schedule I-1 (Form 990) 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

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

Pt I Line 2 Grant requests are reviewed on a case-by-case basis to insure the funds will be expended in a manner that will complement the achievement of PEC's mission. Any major grant awards require the grantor to report to PEC on how the funds were expended and what was accomplished. An appropriate staff person is assigned to monitor each major grant. Through the budgeting process or in conjunction with PEC Board Meetings, the Executive Committee approves all grant awards, although the President may approve minor grants.

Pt II Column h See notes at the end of the return

SCHEDULE J
(Form 990)

Compensation Information

OMB No. 1545-0047

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

2009

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer identification number

The Piedmont Environmental Council, Inc.

54-0935569

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.		
<input type="checkbox"/> First-class or charter travel		
<input type="checkbox"/> Travel for companions		
<input type="checkbox"/> Tax indemnification and gross-up payments		
<input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b 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	X
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.		
<input type="checkbox"/> Compensation committee		
<input type="checkbox"/> Independent compensation consultant		
<input checked="" type="checkbox"/> Form 990 of other organizations		
<input type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Approval by the board or compensation committee		
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	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	X
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	X
b Any related organization?	5b	X
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	X
b Any related organization?	6b	X
If 'Yes' to line 6a or 6b, describe in Part III.		
7 For person 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	X
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 Regs. section 53.4958-4(a)(3)? If 'Yes,' describe in Part III	8	X
If 'Yes' to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: **The Piedmont Environmental Council, Inc.** Employer identification number: **54-0935569**

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).
Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

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

Part II Loans to and/or From Interested Persons.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 26 or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Gilbert's Corner LLC for land conservation		X	1,800,000.	1,809,300.		X	X		X	
Total				▶ \$ 1,809,300.						

Part III Grants or Assistance Benefiting Interested Persons.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance

Part IV Business Transactions Involving Interested Persons.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction \$	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule L (Form 990 or 990-EZ) 2009

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2009

**Open To Public
Inspection**

Department of the Treasury
Internal Revenue Service

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

▶ Attach to Form 990.

Name of the organization

Employer identification number

The Piedmont Environmental Council, Inc.

54-0935569

Part I Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	19	674,173.	see attached
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	X	1	1,800,000.	assessed value
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (-----)				
26 Other ▶ (-----)				
27 Other ▶ (-----)				
28 Other ▶ (-----)				

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

29

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?

	Yes	No
30a		X

b If 'Yes,' describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

31	X	
----	---	--

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

32a		X
-----	--	---

b If 'Yes,' describe in Part II.

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II.

33		
----	--	--

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

see notes at the end of return for additional info on

Sch M, Line 9, column d

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

OMB No. 1545-0047

2009

Open to Public
Inspection

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

Department of the Treasury
Internal Revenue Service

Name of the organization

The Piedmont Environmental Council, Inc.

Employer identification number

54-0935569

Pt VI-B, Line 11A The Form 990 is prepared by staff and management, reviewed by the organization's President, and circulated to the Board for their input. It is then reviewed by a partner in the Exempt Organization Practice of a major international law firm.

Pt VI-B, Line 12c New Board members attend a full day orientation where they are familiarized with PEC operations, policies and procedures, including the conflict of interest policy. Also, during the recruitment of Board members, each candidate is carefully vetted for potential conflicts. The policies are periodically reviewed at Board meetings and annually in conjunction with a request to Board members that they review the audit, auditors' report and Form 990 Return. Finally, officers, directors and key employees are required to disclose, on an annual basis, interests that could give rise to conflicts, and these are reviewed by the Board.

Pt VI-A, Line 2 Mark Ohrstrom is a Vice-Chair of PEC's Board and his half-brother, George Ohrstrom also serves on PEC's Board. Also, Marie Ridder serves on PEC's Board, and for part of 2009, her daughter also served on the Board. The daughter's term as a Board member ended in October, 2009.

Pt VI-B, Line 15 The compensation of the President and other officers/key employees is determined by the Management Committee and approved by the Executive Committee. These Committees review salary surveys focused on non-profits and land conservation organizations, and appropriate Form 990s, in order to determine salary levels.

Pt VI-C, Line 19 The public, upon inquiry, will be provided copies of such documents. PEC's annual report, which is mailed to all donors and others on request,

Name of the organization

Employer identification number

The Piedmont Environmental Council, Inc.

54-0935569

contains an abbreviated financial statement and an invitation to contact
 PEC's accounting office for additional documents. Future annual
 reports will disclose availability of all documents and policies that
 are discussed in the Form 990.

Schedule O (Form 990), Supplemental Information to Form 990
Form 990, Page 2, Part III, Line 1 (continued)

Briefly describe the organization's mission:

PEC safeguards the landscape, communities and heritage of Virginia's Piedmont by involving citizens in related public policy and land conservation.

Organization Description

The Piedmont Environmental Council is a 37-year-old non-profit organization dedicated to promoting and protecting the Piedmont's rural economy, natural resources, history and beauty. PEC works in a nine-county service area that includes Albemarle, Clarke, Culpeper, Fauquier, Greene, Loudoun, Madison, Orange and Rappahannock counties. The staff of PEC provides technical expertise and organizing support to citizen groups and governmental officials on land use policy, land conservation, transportation, water quality, historic preservation and environmental issues. For 37 years, PEC has actively worked to promote voluntary land conservation in the form of conservation easements and Agricultural and Forestal Districts. Currently, there are more than 100,000 acres of land under easement and more than 400,000 acres in Agricultural and Forestal Districts throughout the nine-county region.

Schedule O (Form 990), Supplemental Information to Form 990
Form 990, Page 2, Part III, Line 4d (continued)

4d Describe the exempt purpose achievements for each of the organization's other program services. Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

Code: _____ Description: Growth Management and Transportation-promote orderly economic progress
 Expenses 599,875. sensitive to conserving resources; analyze the impact of planned
 Grants Of 1,691. roadways in order to promote alternatives that minimize damage to the
 Revenue .. 0. environment of the Piedmont and its surrounding area.

Code: _____ Description: Land Use-Analyze county and regional land use policies and provide
 Expenses 440,171. expert testimony to local planning commissions, county boards
 Grants Of 688. and other decision makers. Keep the public informed
 Revenue .. 0. of pending and proposed actions.

Form 990, Page 6, Line 17
States Form 990 Filed In

District of Columbia
Maryland
Virginia

Schedule D, Supplemental Financial Statements
Part IX Investments - Other Assets

(a) Description	Beg of Year Book value (990-EZ ONLY)	(b) End of Year Book value
<u>and valued at cost. Land is being held for conservation purposes</u>		

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

(A) Name, address, and EIN of related organization	(B) Primary Activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner?	
							Yes	No		Yes	No

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

(A) Name, address, and EIN of related organization	(B) Primary Activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type or entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership

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

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

2	(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(1)	The Piedmont Foundation - Contributions to PEC	c	720,056.
(2)	The Piedmont Foundation - Contributions by PEC to supporting org.	b	25,000.
(3)	The Piedmont Foundation - Line of Credit to PEC	e	1,520,000.
(4)	Items k, m, and p were below monetary threshold.	k,m,p	
(5)			
(6)			

Supporting Statement of:

Form 990 p 10/Line 11g col (B)

Description	Amount
Land Conservation Consulting	92,500.
Land Use and Other Program Consulting	392,801.
Commissions related to conserving property	96,425.
Total	<u>581,726.</u>

Supporting Statement of:

Form 990 p 11/Line 23, column (A)

Description	Amount
BB&T Bank LOC secured by 45 Horner St. Warrenton, Va.	99,600.
Prince Charitable Trusts	1,800,000.
Total	<u>1,899,600.</u>

Supporting Statement of:

Form 990 p 11/Line 23, column (B)

Description	Amount
Prince Charitable Trusts	1,800,000.
Total	<u>1,800,000.</u>

Additional Information For Tax Return

The Piedmont Environmental Council, Inc.

54-0935569

Form 990 p 3: Line 10 No

PEC holds no assets in term, permanent or quasi-endowments. The Piedmont Foundation, a supporting organization of PEC, holds endowment funds that benefit PEC: the income from these endowment funds are contributed to PEC.

The Piedmont Foundation files a Form 990 with the IRS which reflects endowment and quasi-endowment funds that it holds for PEC's benefit.

Form 990 p 8: Services Indep Contractor-1

Georgia H. Herbert P. C. provides corporate guidance and legal advice in many areas. The firm reviews major contracts. It is currently involved in a lawsuit to enforce the terms of an easement held by PEC. It also reviews and advises PEC with regard to many land conservation issues, including placing easements on its conservation properties and on accepting easement donations from the public.

In addition, the firm provides guidance on land use projects and has been involved in PEC's quest for efficient and appropriate energy solutions and policy reform.

Schedule I: Smart Wks Name-3

National Trust for Historic Preservation

Schedule I: Purpose-1

Support research on tax implications of land conservation efforts

Schedule I: Purpose-2

Support grantor's efforts to strengthen and secure the future of a healthy regional food supply by providing small, local farmers with concrete services that support and advance their economic vitality and promote stewardship of the land.

Schedule I: Purpose-3

Support effort to place an easement on Montpelier in Orange County, Va.

Additional Information For Tax Return

The Piedmont Environmental Council, Inc.

54-0935569

Schedule I: Purpose-4

Contribution to PEC's 509 (a) supporting organization to provide stewardship funding for easements held by PEC, in accordance with PEC policies that require PEC to obtain donations or contribute general operating funds to a Stewardshp Fund held by the supporting organization whenever it accepts a donation of a land conservation easement.

Schedule M: Line 9 column (d)

average of highest and lowest stock prices on day stock was received

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)

2008

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

For the **2008** calendar year, or tax year beginning , **2008**, and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See specific instructions.	C Name of organization The Piedmont Environmental Council, Inc. Number and street (or P.O. box if mail is not delivered to street addr) Room/suite 45 Horner Street City, town or country State ZIP code + 4 Warrenton VA 20186	D Employer Identification Number 54-0935569 E Telephone number (540) 347-2334 G Gross receipts \$ 7,981,236.
F Name and address of principal officer: Chris Miller 45 Horner St. Warrenton VA 20186		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If 'No,' attach a list. (see instructions) H(c) Group exemption number ▶	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		J Website: ▶ www.pecva.org	
K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of Formation: 1972 M State of legal domicile: VA	

Part I Summary

	1 Briefly describe the organization's mission or most significant activities: <u>See Form 990, Page 2, Part III, Line 1</u>		
Activities & Governance	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	44
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	44
	5 Total number of employees (Part V, line 2a)	5	81
	6 Total number of volunteers (estimate if necessary)	6	25
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b		
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	6,825,222.	7,633,878.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0.	111,003.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,813.	54,803.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	77,288.	0.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	6,905,323.	7,799,684.
	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)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	3,169,544.	3,273,582.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 230,697.	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	4,138,061.	4,606,103.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	7,307,605.	7,879,685.
19 Revenue less expenses. Subtract line 18 from line 12	-402,282.	-80,001.	
Net Assets or Fund Balance	20 Total assets (Part X, line 16)	Beginning of Year	End of Year
	21 Total liabilities (Part X, line 25)	7,015,816.	6,852,994.
	22 Net assets or fund balances. Subtract line 21 from line 20	4,780,939.	4,698,118.

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.

▶ Christopher G. Miller Signature of officer Date 08/03/09

▶ Christopher G. Miller President

Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶	EIN ▶	Phone no. ▶	

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

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

PEC Mission Statement
PEC safeguards the landscape, communities and heritage of Virginia's Piedmont
See Form 990, Page 2, Part III, Line 1 (continued)

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

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If 'Yes,' describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1,458,222. including grants of \$ 0.) (Revenue \$ 1,350,000.)

County Issues-Analyze county planning proposals for environmental impact and develop sound conservation alternatives.

4b (Code:) (Expenses \$ 1,179,019. including grants of \$ 0.) (Revenue \$ 985,000.)

Land Use-Analyze county and regional land use policies and provide public education

4c (Code:) (Expenses \$ 2,862,094. including grants of \$ 0.) (Revenue \$ 2,685,000.)

Land Conservation-Research and apply the economics of rural land preservation, provide public education on land conservation options and acquire and preserve vital property

4d Other program services. (Describe in Schedule O.)
(Expenses \$ 1,953,067. including grants of \$ 0.) (Revenue \$ 1,825,500.)

4e Total program service expenses \$ 7,452,402. (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II	X	
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II	X	
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If 'Yes,' complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If 'Yes,' complete Schedule F, Part I		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Part II		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Part III		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If 'Yes,' complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20 Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H		X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If 'Yes,' complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If 'Yes,' complete Schedule I, Parts I and III		X
23 Did the organization answer 'Yes' to Part VII, Section A, questions 3, 4, or 5? If 'Yes,' complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? If 'Yes,' answer questions 24b-24d and complete Schedule K. If 'No,' go to question 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
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		X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If 'Yes,' complete Schedule L, Part I		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If 'Yes,' complete Schedule L, Part II	X	
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If 'Yes,' complete Schedule L, Part III		X

Part IV Checklist of Required Schedules (continued)

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If 'Yes,' complete Schedule L, Part IV</i>	X	
b	Have a family member who had a direct or indirect business relationship with the organization? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If 'Yes,' complete Schedule L, Part IV</i>	X	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>	X	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M</i>	X	
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II</i>		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I</i>		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1</i>	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI</i>		X

BAA

Form 990 (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No		
1 a	Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1 a	63		
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1 b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1 c	NA →		
2 a	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	2 a	81		
2 b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	2 b	X		
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3 a		X	
3 b	If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O	3 b			
4 a	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)?	4 a		X	
b	If 'Yes,' enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts.				
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5 a		X	
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5 b		X	
5 c	If 'Yes,' to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5 c			
6 a	Did the organization solicit any contributions that were not tax deductible?	6 a		X	
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible?	6 b			
7	Organizations that may receive deductible contributions under section 170(c).				
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7 a		X	
b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	7 b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7 c		X	
d	If 'Yes,' indicate the number of Forms 8282 filed during the year	7 d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7 e		X	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7 f		X	
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7 g		X	
h	For all contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7 h		X	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		X	
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.				
a	Did the organization make any taxable distributions under section 4966?	9 a		X	
b	Did the organization make any distribution to a donor, donor advisor, or related person?	9 b		X	
10	Section 501(c)(7) organizations. Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10 a			
b	Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10 b			
11	Section 501(c)(12) organizations. Enter:				
a	Gross income from other members or shareholders	11 a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11 b			
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12 a			
b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year	12 b			

BAA

Part VI Governance, Management and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

For each 'Yes' response to lines 2-7b below, and for a 'No' response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

		Yes	No
1 a	Enter the number of voting members of the governing body		
1 b	Enter the number of voting members that are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7 a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7 b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8 a	The governing body?	X	
8 b	Each committee with authority to act on behalf of the governing body?	X	
9 a	Does the organization have local chapters, branches, or affiliates?		X
9 b	If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	X	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X

Section B. Policies

		Yes	No
12 a	Does the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
12 b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12 c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
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:		
15 a	The organization's CEO, Executive Director, or top management official?	X	
15 b	Other officers of key employees of the organization? Describe the process in Schedule O. (see instructions)	X	
16 a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16 b	If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosures

- 17** List the states with which a copy of this Form 990 is required to be filed ▶ See States Form 990 Filed In
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19** Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization:
 ▶ Jay Clevenson 45 Horner Street Warrenton, VA 20186 (540) 347-2334

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

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

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- 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) or 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 the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Robert Runkle Director	2.00	X					0.	0.	0.	
John P. Merrill, Jr. Director	2.00	X					0.	0.	0.	
Nancy Baudhuin Director	2.00	X					0.	0.	0.	
Malcolm Baldwin Director	2.00	X					0.	0.	0.	
Dennis Campbell Director	2.00	X					0.	0.	0.	
Virginia Dawson Dorkey Director	2.00	X					0.	0.	0.	
Barbara Bianco Director	2.00	X					0.	0.	0.	
Mark J. Ohrstrom Vice-Chair	5.00	X					0.	0.	0.	
Scott Kasprowicz Director	5.00	X					0.	0.	0.	
John H. Birdsall, III Director	2.00	X					0.	0.	0.	
Mary Mills Abel Smith Director	2.00	X					0.	0.	0.	
R. Barry Hamilton Treasurer	5.00	X					0.	0.	0.	
Ronald Bird Director	2.00	X					0.	0.	0.	
Marie Ridder Director	2.00	X					0.	0.	0.	
Leslie Cockburn Director	2.00	X					0.	0.	0.	
Roy Dye Director	2.00	X					0.	0.	0.	
Lynn Coleman Director	5.00	X					0.	0.	0.	

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Lindy Sanford Director	2.00	X						0.	0.	0.
Antoinette Brewster Director	2.00	X						0.	0.	0.
James Kleeblatt Director	2.00	X						0.	0.	0.
Terrell Marsh Director	2.00	X						0.	0.	0.
Marcia B. deGarmo Secretary	5.00	X						0.	0.	0.
George Ohrstrom, II Director	2.00	X						0.	0.	0.
Stephanie Ridder Director	2.00	X						0.	0.	0.
Judy Randall Director	2.00	X						0.	0.	0.
Linda Ingram Director	2.00	X						0.	0.	0.
John Jaske Director	2.00	X						0.	0.	0.
Jean Perin Director	2.00	X						0.	0.	0.
John H. Snyder Vice-Chair	5.00	X						0.	0.	0.
David Crowe Director	2.00	X						0.	0.	0.
1b Total								435,189.	0.	18,215.

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ▶ 3

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of Services	(C) Compensation
BRACEWELL & GIULIANI 2000 K ST NW, #500, WASHINGTON, DC 20006	Professional advisory	638,003.
GEORGIA H. HERBERT P.C. P.O. Box 21 THE PLAINS, VA 20198	LEGAL-Real Estate Advisory	377,089.

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization ▶ 2

Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1a Federated campaigns	89.				
	1b Membership dues	0.				
	1c Fundraising events	127,415.				
	1d Related organizations	1,520,390.				
	1e Government grants (contributions)	14,550.				
	1f All other contributions, gifts, grants, and similar amounts not included above	5,971,434.				
	1g Noncash contribns included in lns 1a-1f: \$	1,560,000.				
	1h Total. Add lines 1a-1f		7,633,878.			
PROGRAM SERVICE REVENUE	2a <u>Environmental Day Camps</u>	611600	19,495.	19,495.	0.	0.
	b <u>Seminar Fees</u>	611600	2,608.	2,608.	0.	0.
	c -----					
	d -----					
	e -----					
	f All other program service revenue		88,900.	88,900.	0.	0.
	g Total. Add lines 2a-2f		111,003.			
	3 Investment income (including dividends, interest and other similar amounts)		54,803.	54,803.	0.	0.
4 Income from investment of tax-exempt bond proceeds		0.	0.	0.	0.	
5 Royalties		0.	0.	0.	0.	
OTHER REVENUE	6a Gross Rents	(i) Real	0.			
		(ii) Personal				
	b Less: rental expenses		0.			
	c Rental income or (loss)		0.			
	d Net rental income or (loss)		0.	0.	0.	0.
	7a Gross amount from sales of assets other than inventory	(i) Securities	0.	0.		
		(ii) Other				
	b Less: cost or other basis and sales expenses		0.	0.		
	c Gain or (loss)		0.	0.		
	d Net gain or (loss)		0.	0.	0.	0.
8a Gross income from fundraising events (not including \$ 127,415. of contributions reported on line 1c). See Part IV, line 18	a	181,552.				
b Less: direct expenses	b	181,552.				
c Net income or (loss) from fundraising events		0.	0.	0.	0.	
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	0.				
b Less: cost of goods sold	b	0.				
c Net income or (loss) from sales of inventory		0.	0.	0.	0.	
Miscellaneous Revenue		Business Code				
11a -----						
b -----						
c -----						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			7,799,684.	165,806.	0.	0.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	0.	0.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.	0.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.	0.		
4 Benefits paid to or for members	0.	0.		
5 Compensation of current officers, directors, trustees, and key employees	201,867.	117,737.	35,093.	49,037.
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	2,598,294.	2,386,270.	114,353.	97,671.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	108,705.	98,810.	6,712.	3,183.
9 Other employee benefits	165,500.	152,526.	8,129.	4,845.
10 Payroll taxes	199,216.	184,413.	8,970.	5,833.
11 Fees for services (non-employees)				
a Management	0.	0.	0.	0.
b Legal	69,341.	69,341.	0.	0.
c Accounting	1,890.	0.	1,890.	0.
d Lobbying	60,455.	60,455.		0.
e Prof fundraising svcs. See Part IV, ln 17	0.			0.
f Investment management fees	0.	0.	0.	0.
g Other	0.	0.	0.	0.
12 Advertising and promotion	447.	3,037.	0.	-2,590.
13 Office expenses	87,504.	78,676.	3,754.	5,074.
14 Information technology	34,588.	27,295.	4,466.	2,827.
15 Royalties	0.	0.	0.	0.
16 Occupancy	176,755.	168,828.	3,020.	4,907.
17 Travel	92,800.	86,306.	446.	6,048.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.	0.	0.	0.
19 Conferences, conventions, and meetings	28,674.	27,949.	138.	587.
20 Interest	136,268.	134,434.	952.	882.
21 Payments to affiliates	0.	0.	0.	0.
22 Depreciation, depletion, and amortization	32,560.	29,240.	1,723.	1,597.
23 Insurance	11,989.	10,793.	621.	575.
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a <u>Development Rights Retired</u>	1,550,000.	1,550,000.	0.	0.
b <u>Web Development</u>	3,000.	3,000.	0.	0.
c <u>Dues, Subscriptions</u>	29,167.	25,605.	1,234.	2,328.
d <u>Real Estate Taxes/Other</u>	19,762.	18,107.	859.	796.
e <u>General Cnsl-R/E Advisory</u>	262,234.	261,454.	780.	0.
f All other expenses	2,008,669.	1,958,126.	3,446.	47,097.
25 Total functional expenses. Add lines 1 through 24f	7,879,685.	7,452,402.	196,586.	230,697.
26 Joint Costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation	64,670.	50,259.	0.	14,411.

Part X Balance Sheet

		(A) Beginning of year		(B) End of year		
ASSETS	1	Cash – non-interest-bearing	0.	1	0.	
	2	Savings and temporary cash investments	536,409.	2	109,101.	
	3	Pledges and grants receivable, net	492,545.	3	858,224.	
	4	Accounts receivable, net	0.	4	0.	
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L	0.	5	0.	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L	0.	6	0.	
	7	Notes and loans receivable, net	1,895,000.	7	1,895,000.	
	8	Inventories for sale or use	0.	8	0.	
	9	Prepaid expenses and deferred charges	73,640.	9	46,382.	
	10a	Land, buildings, and equipment: cost basis	10a	742,540.		
	b	Less: accumulated depreciation. Complete Part VI of Schedule D	10b	346,941.	10c	395,599.
	11	Investments – publicly-traded securities	41,374.	11	0.	
	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	3,548,688.	15	3,548,688.	
16	Total assets. Add lines 1 through 15 (must equal line 34)	7,015,816.	16	6,852,994.		
LIABILITIES	17	Accounts payable and accrued expenses	647,188.	17	654,225.	
	18	Grants payable	0.	18	0.	
	19	Deferred revenue	0.	19	0.	
	20	Tax-exempt bond liabilities	0.	20	0.	
	21	Escrow account liability. Complete Part IV of Schedule D	0.	21	0.	
	22	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	99,600.	
	24	Unsecured notes and loans payable	4,133,751.	24	3,944,293.	
	25	Other liabilities. Complete Part X of Schedule D		25		
	26	Total liabilities. Add lines 17 through 25	4,780,939.	26	4,698,118.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.					
	27	Unrestricted net assets	-564,308.	27	-631,799.	
	28	Temporarily restricted net assets	2,799,185.	28	2,786,675.	
	29	Permanently restricted net assets	0.	29	0.	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds		30		
	31	Paid-in or capital surplus, or land, building, and equipment fund		31		
	32	Retained earnings, endowment, accumulated income, or other funds		32		
	33	Total net assets or fund balances.	2,234,877.	33	2,154,876.	
	34	Total liabilities and net assets/fund balances.	7,015,816.	34	6,852,994.	

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b	Were the organization's financial statements audited by an independent accountant?	X	
c	If 'Yes' to 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?	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b	If 'Yes,' did the organization undergo the required audit or audits?		

SCHEDULE J-2
(Form 990)

Continuation Sheet for Form 990

OMB No. 1545-0047

2008

Department of the Treasury
Internal Revenue Service

Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

Open to Public Inspection

Name of the Organization

Employer identification number

The Piedmont Environmental Council, Inc.

54-0935569

Part I Continuation: Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Robert French Director	2.00	X						0.	0.	0.
Nicholas Snow Director	2.00	X						0.	0.	0.
Steven Brooks Director	2.00	X						0.	0.	0.
Merrill Strange Director	2.00	X						0.	0.	0.
Peter Railey Taylor Director	2.00	X						0.	0.	0.
Carlton Vanderwarker, Jr. Chair	10.00	X						0.	0.	0.
William von Raab Director	2.00	X						0.	0.	0.
Margaret Richardson Director	2.00	X						0.	0.	0.
Scott Elliff Director	5.00	X						0.	0.	0.
William Wolf Director	2.00	X						0.	0.	0.
Annie T. Williams Director	2.00	X						0.	0.	0.
David Perdue Director	2.00	X						0.	0.	0.

Christopher G. Miller President	50.00	X		X	X	X		201,867.	0.	8,493.
Jay Clevenson Director of Finance	50.00	X				X		117,816.	0.	4,909.
Douglas Larson Vice-President	50.00	X				X		115,506.	0.	4,813.

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.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.') ...	3,272,709.	5,346,456.	5,034,343.	6,325,222.	6,262,154.	26,240,884.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf						
3 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge						
4 Total. Add lines 1-3	3,272,709.	5,346,456.	5,034,343.	6,325,222.	6,262,154.	26,240,884.
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) ...						2,725,485.
6 Public support. Subtract line 5 from line 4						23,515,399.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	3,272,709.	5,346,456.	5,034,343.	6,325,222.	6,262,154.	26,240,884.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	5,019.	29,623.	61,834.	56,813.	54,803.	208,092.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0.	0.	0.	0.	0.	0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	9,697.	0.	0.	0.	0.	9,697.
11 Total support. Add lines 7 through 10						26,458,673.
12 Gross receipts from related activities, etc. (see instructions)					12	

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	88.88%
15 Public support percentage for 2007 Schedule A, Part IV-A, line 26f	15	85.00%

16a **33-1/3 support test – 2008.** If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization.

b **33-1/3 support test – 2007.** If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization.

17a **10%-facts-and-circumstances test – 2008.** 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 – 2007.** 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.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.') ...						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a 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 1-5						
7a Amounts included on lines 1, 2, 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000 ..						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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 lns 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 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%

19a 33-1/3 support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33-1/3 support tests - 2007. If the organization did not check a box on line 14 or 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

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

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, 990-EZ and 990-PF**
▶ **See separate instructions.**

OMB No. 1545-0047

2008

Name of the organization

The Piedmont Environmental Council, Inc.

Employer identification number

54-0935569

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- 501(c)(3) (enter number) organization
 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
 4947(a)(1) nonexempt charitable trust treated as a private foundation
 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

General Rule –

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

Special Rules –

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

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they **must** answer 'No' on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

Name of organization

Employer identification number

The Piedmont Environmental Council, Inc.

54-0935569

Part I Contributors (see instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	see attached ----- not open to public inspection ----- -----	\$-----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$-----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$-----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$-----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$-----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$-----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization The Piedmont Environmental Council, Inc.	Employer identification number 54-0935569
---	---

Part II Noncash Property (see instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	Conservation Easement - 20 acres in Rappahannock County	\$ 50,000.	12/30/08
64	Conservation Easement - 150 acres at Montalto in Charlottesville, Va.	\$ 1,500,000.	02/19/08
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **To be completed by organizations described below.**

▶ **Attach to Form 990 or Form 990-EZ.**

OMB No. 1545-0047

2008

Open to Public Inspection

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

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

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

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

If the organization answered 'Yes,' to Form 990, Part IV, line 5 (Proxy Tax), then

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

Name of organization

The Piedmont Environmental Council, Inc.

Employer identification number

54-0935569

Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations.
See the instructions for Schedule C for details.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ▶ \$ 0.
- 3 Volunteer hours 0

Part I-B To be completed by all organizations exempt under section 501(c)(3).
See the instructions for Schedule C for details.

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$ 0.
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$ 0.
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If 'Yes,' describe in Part IV.

Part I-C To be completed by all organizations exempt under section 501(c), except section 501(c)(3).
See the instructions for Schedule C for details.

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$
- 3 Total of direct and indirect exempt function expenditures. Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b ▶ \$
- 4 Did the filing organization file **Form 1120-POL** for this year? Yes No
- 5 State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

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

Part II-A To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details.

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

Limits on Lobbying Expenditures – (The term 'expenditures' means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
1 a	Total lobbying expenditures to influence public opinion (grass roots lobbying)	92,554.	92,554.
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	95,431.	95,431.
c	Total lobbying expenditures (add lines 1a and 1b)	187,985.	187,985.
d	Other exempt purpose expenditures	7,691,700.	7,691,700.
e	Total exempt purpose expenditures (add lines 1c and 1d)	7,879,685.	7,879,685.
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	543,984.	543,984.
	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	
	Not over \$500,000	20% of the amount on line 1e.	
	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	
	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	
	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	
	Over \$17,000,000	\$1,000,000.	
g	Grassroots nontaxable amount (enter 25% of line 1f)	135,996.	135,996.
h	Subtract line 1g from line 1a. Enter -0- if line g is more than line a	0.	0.
i	Subtract line 1f from line 1c. Enter -0- if line f is more than line c	0.	0.
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2 a Lobbying non-taxable amount	396,136.	409,916.	515,380.	543,984.	1,865,416.
b Lobbying ceiling amount (150% of line 2a, column (e))					2,798,124.
c Total lobbying expenditures	211,410.	191,296.	182,818.	187,985.	773,509.
d Grassroots non-taxable amount	99,034.	120,144.	128,845.	135,996.	484,019.
e Grassroots ceiling amount (150% of line 2d, column (e))					726,029.
f Grassroots lobbying expenditures	67,149.	71,152.	95,757.	92,554.	326,612.

BAA

Part IV Supplemental Information *(continued)*

Area with horizontal dashed lines for supplemental information.

**SCHEDULE D
(Form 990)**

Supplemental Financial Statements

OMB No. 1545-0047

2008

Department of the Treasury
Internal Revenue Service

Attach to Form 990. To be completed by organizations that answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.

Open to Public Inspection

Name of the organization

Employer identification number

The Piedmont Environmental Council, Inc.

54-0935569

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 may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other 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 pleasure) Preservation of an historically important land area

Protection of natural habitat Preservation of certified historic structure

Preservation of open space

2 Complete lines 2a-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 Year
a Total number of conservation easements	2a 34
b Total acreage restricted by conservation easements	2b 4,863.9
c Number of conservation easements on a certified historic structure included in (a) ..?	2c 0
d Number of conservation easements included in (c) acquired after 8/17/06 ..?	2d 0

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ 0

4 Number of states where property subject to conservation easement is located ▶ 1

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

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ 385

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ 13,475.

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

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

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

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

b If the organization elected, as permitted under SFAS 116, 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 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 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 accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

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

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

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

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

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

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

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

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

b If 'Yes,' explain the arrangement in Part XIV.

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

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

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

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

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book Value
1a Land		76,206.		76,206.
b Buildings		561,859.	321,171.	240,688.
c Leasehold improvements				
d Equipment		104,475.	25,770.	78,705.
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				395,599.

BAA

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	7,799,684.
2	Total expenses (Form 990, Part IX, column (A), line 25)	7,879,685.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	-80,001.
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net). Add lines 4-8	
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	-80,001.

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

1	Total revenue, gains, and other support per audited financial statements	1	7,799,684.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	0.
b	Donated services and use of facilities	2b	0.
c	Recoveries of prior year grants	2c	0.
d	Other (Describe in Part XIV)	2d	0.
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	7,799,684.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	0.
b	Other (Describe in Part XIV)	4b	0.
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	7,799,684.

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

1	Total expenses and losses per audited financial statements	1	7,879,685.
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	Losses reported on Form 990, Part IX, line 25	2c	0.
d	Other (Describe in Part XIV)	2d	0.
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	7,879,685.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	0.
b	Other (Describe in Part XIV)	4b	0.
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	7,879,685.

Part XIV Supplemental Information

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

Pt II Line 9 "Conservation easements are intangible assets representing restrictions on the development of real property, conveyed by a property owner to PEC. PEC accepts and holds or co-holds these easements in order to protect the owned property in perpetuity. Conservation easements, by their nature, have no market value, as they cannot be sold or exchanged for remuneration. Thus, when the Council has primary responsibility for enforcing an easement, i.e. it is the sole holder and not a co-holder, the donated value of the easement, as measured by the decrease in a property's fair market value, is expensed upon receipt. If the Council is an

Part II Fundraising Events. Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

REVENUE	(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events		
	Dinner Dance (event type)	Cocktail party (event type)	FIVE (total number)	(Add col. (a) through col. (c))		
1	Gross receipts	291,114.	22,460.	14,750.	328,324.	
2	Less: Charitable contributions	106,484.	10,440.	10,491.	127,415.	
3	Gross revenue (line 1 minus line 2)	184,630.	12,020.	4,259.	200,909.	
DIRECT EXPENSES	4	Cash prizes	0.	0.	0.	0.
	5	Non-cash prizes	0.	0.	0.	0.
	6	Rent/facility costs	0.	0.	0.	0.
	7	Other direct expenses	184,630.	12,020.	4,259.	200,909.
	8	Direct expense summary. Add lines 4- through 7 in column (d)				200,909.
9	Net income summary. Combine lines 3 and 8 in column (d)				0.	

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.

REVENUE	(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
	(Add col. (a) through col. (c))			
1	Gross revenue			
DIRECT EXPENSES	2	Cash prizes		
	3	Non-cash prizes		
	4	Rent/facility costs		
	5	Other direct expenses		
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
7	Direct expense summary. Add lines 2 through 5 in column (d)			
8	Net gaming income summary. Combine lines 1 and 7 in column (d)			

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? **9a**

b If 'No,' Explain:

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? **10a**

b If 'Yes,' Explain:

11 Does the organization operate gaming activities with nonmembers? **11**

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? **12**

	YES	NO
9a		
10a		
11		
12		

13 Indicate the percentage of gaming activity operated in:

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

14 Provide 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 contact with a third party from whom the organization receives gaming revenue? **15a**

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:

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? **17a**

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

SCHEDULE J
(Form 990)

Compensation Information

OMB No. 1545-0047

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

2008

Department of the Treasury
Internal Revenue Service

Attach to Form 990. To be completed by organizations that answered 'Yes' to Form 990, Part IV, line 23.

Open to Public Inspection

Name of the organization

The Piedmont Environmental Council, Inc.

Employer identification number

54-0935569

Part I Questions Regarding Compensation

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

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

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

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

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

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

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

a Receive a severance payment or change of control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If 'Yes' to any of 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

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?

b Any related organization?

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?

b Any related organization?

If 'Yes' to line 6a or 6b, describe in Part III.

7 For person listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If 'Yes,' describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If 'Yes,' describe in Part III

	Yes	No
1 a		
1 b		
2		
3		
4 a		X
4 b		X
4 c		X
5 a		X
5 b		X
6 a		X
6 b		X
7		X
8		X

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

Schedule J (Form 990) 2008

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Attach to Form 990 or Form 990-EZ.
▶ To be completed by organizations that answered
'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38a or 40b.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization: The Piedmont Environmental Council, Inc. Employer identification number: 54-0935569

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).
To be completed by organizations that answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

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

Part II Loans to and/or From Interested Persons.
To be completed by organizations that answered 'Yes' on Form 990, Part IV, line 26 or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Gilbert's Corner LLC land conservation		X	1,800,000.	1,800,000.		X	X		X	
Total				\$ 1,800,000.						

Part III Grants or Assistance Benefiting Interested Persons.
To be completed by organizations that answered 'Yes' on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.
To be completed by organizations that answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction \$	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Gilbert's Corner, LLC	LLC managed by Disqualified Person	1,800,000.	Loan to an LLC that to acquire and preserve land in Loudoun Co. Va.		X

**SCHEDULE M
(Form 990)**

Non-Cash Contributions

OMB No. 1545-0047

2008

► To be completed by organizations that answered 'Yes'
on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer identification number

The Piedmont Environmental Council, Inc.

54-0935569

Part I Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
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				
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)	X	2	1,550,000.	before and after appraisals
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► ()				
26 Other ► ()				
27 Other ► ()				
28 Other ► ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29** 1.

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?

	Yes	No
30a		X
31	X	
32a		X

b If 'Yes,' describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If 'Yes,' describe in Part II.

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II.

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

Schedule M (Form 990) 2008

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

OMB No. 1545-0047

2008

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

Name of the organization

The Piedmont Environmental Council, Inc.

Employer identification number

54-0935569

Pt VI-A, Line 1a The full Board (44 members) meets quarterly. If decisions are required between meetings, they have delegated responsibility for this to Executive and Management Committees that meet no less frequently than every month. These Committees are comprised of PEC officers and Board members representing each of PEC's areas of geographical coverage. All members of the Executive and Management Committees are Board members.

Pt VI-A, Line 2 Mark Ohrstrom is a Vice-Chair of PEC's Board and his half-brother, George Ohrstrom also serves on PEC's Board. Also, Marie Ridder serves on PEC's Board, as does her daughter, Stephanie Ridder.

Pt VI-A, Line 10 The Form 990 is prepared by staff and management, reviewed by the organization's President, and circulated to the Board for their input. It is then reviewed by the General Counsel and the not-for-profit specialists of a major international law firm.

Pt VI-B, Line 12c New Board members attend a full day orientation where they are familiarized with PEC operations, policies and procedures. Also, during the recruitment of Board members, each candidate is carefully vetted for potential conflicts. Finally, the policies are periodically reviewed at Board meetings and annually in conjunction with a request that they review the annual audit, auditors' report and Form 990 Return.

Pt VI-B, Line 15 The compensation of the President is determined by the Management Committee and approved by the Executive Committee.

These Committees review salary surveys focussing on

Name of the organization

The Piedmont Environmental Council, Inc.

Employer identification number

54-0935569

non-profits and land conservation organizations and appropriate Form 990's in order to determine salary levels.

Pt VI-C, Line 19 The public, upon inquiry, will be provided copies of such documents. PEC's annual report, which is mailed to all donors and any others who express an interest, contains an abbreviated financial statement, and an invitation to contact PEC's accounting office for additional documents. Future annual reports will disclose availability of all documents and policies that are discussed in the Form 990.

Pt XI, Line 2c The PEC Management Committee reviews the auditors' report and approves the selection of the independent auditors. The Treasurer reviews PEC financial statements which are prepared by management.

Part V Transactions With Related Organizations

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

1 During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV:

- a** Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

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

	(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(1) The Piedmont Foundation - Contributions to PEC		c	1,520,390.
(2) The Piedmont Foundation - Line of Credit to PEC		e	1,694,293.
(3) items k, m, and p were below monetary threshold			
(4)			
(5)			
(6)			

Schedule O (Form 990), Supplemental Information to Form 990
Form 990, Page 2, Part III, Line 1 (continued)

Briefly describe the organization's mission:

by involving citizens in related public policy and land conservation.

Organization Description

The Piedmont Environmental Council is a 37-year-old non-profit organization dedicated to promoting and protecting the Piedmont's rural economy, natural resources, history and beauty. PEC works in a nine-county service area that includes Albemarle, Clarke, Culpeper, Fauquier, Greene, Loudoun, Madison, Orange and Rappahannock counties. The staff of PEC provides technical expertise and organizing support to citizen groups and governmental officials on land use policy, land conservation, transportation, water quality, historic preservation and environmental issues. For 37 years, PEC has actively worked to promote voluntary land conservation in the form of conservation easements and Agricultural and Forestal Districts. Currently, there are more than 100,000 acres of land under easement and more than 400,000 acres in Agricultural and Forestal Districts throughout the nine-county region.

Schedule O (Form 990), Supplemental Information to Form 990
Form 990, Page 2, Part III, Line 4d (continued)

4d Describe the exempt purpose achievements for each of the organization's other program services. Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

Code: _____ Description: Growth Management and Transportation-promote orderly economic progress
Expenses 870,987. sensitive to conserving resources; analyze the impact of planned roadways
Grants Of 0. in order to promote alternatives that minimize damage to the Piedmont
Revenue.. 770,500.

Code: _____ Description: Environmental Education - including seminars for attorneys,
Expenses 1,082,080. CPA's, accountants, farmers and other landowners
Grants Of 0. on all aspects of conserving land. PEC also created and
Revenue.. 1,055,000. maintains a heavily utilized website, explaining all aspects of
its operations in land use planning, land and environmental
conservation, growth management and transportation reform.

Form 990, Page 6, Line 17
States Form 990 Filed In

District of Columbia
Maryland
Virginia

Supporting Statement of:

Form 990 p 10/Line 24f col (B) -1

Description	Amount
Professional and Consultant	1,528,557.
Event Services	46,257.
Conservation Reserve Enhancement Prog. (CREP)	60,200.
Wetland Protection and Enhancement	45,878.
Telephone	86,414.
Publications and Maps	2,134.
Memberships and Donations	16,896.
Postage	60,282.
Printing and Copying	111,508.
Total	<u>1,958,126.</u>

Supporting Statement of:

Form 990 p 10/Line 24f col (C) -1

Description	Amount
Event Services	746.
Telephone	1,530.
Publications and Maps	3.
Memberships and Donations	412.
Postage	701.
Printing and Copying	54.
Total	<u>3,446.</u>

Supporting Statement of:

Form 990 p 10/Line 24f col (D) -1

Description	Amount
Event Services	3,058.
Telephone	3,559.
Publications and Maps	7,431.
Memberships and Donations	382.
Postage	5,747.
Printing and Copying	26,920.
Total	<u>47,097.</u>

Supporting Statement of:

Form 990 p 11/Line 23, column (B)

Description	Amount
BB&T Bank LOC secured by 45 Horner St. Warrenton, Va.	99,600.
Total	<u>99,600.</u>

Supporting Statement of:

Form 990 p 11/Line 24, column (A)

Description	Amount
The Piedmont Foundation	1,883,751.
Prince Charitable Trusts	1,800,000.
Fauquier County, Va.	450,000.
Total	<u>4,133,751.</u>

Supporting Statement of:

Form 990 p 11/Line 24, column (B)

Description	Amount
Prince Charitable Trusts	1,800,000.
Fauquier County, Va.	450,000.
The Piedmont Foundation	1,694,293.
Total	<u>3,944,293.</u>

Supporting Statement of:

Schedule L/Part IV, column c-1

Description	Amount
Mr. Kasprovicz, a PEC Director, controls Gilbert's Corner, LLC, a company that was set up to acquire and conserve land adjacent to Gilbert's Corner in Loudoun County, Virginia. PEC made a \$1,800,000 loan to Gilbert's Corner, LLC, at 3% interest, secured by the acquired property. The LLC will develop an appropriate plan to guide the future of the property, which is located in a highly visible location and vulnerable to inappropriate development.	1,800,000.
Mr. Kasprovicz agreed that, should there be any profit or other financial benefits as a result of this transaction, such profits will be donated to PEC.	
Total	<u>1,800,000.</u>

Additional Information For Tax Return

The Piedmont Environmental Council, Inc.

54-0935569

Form 990 p 5: Line 1c Yes

Question not applicable - PEC made no reportable payments to vendors and was not involved in any gaming or gambling activities. Thus they were no backup withholding rules with which it needed to comply.

Schedule L: Part IV, column a-1

Gilbert's Corner, LLC is managed by Scott Kasprowicz, a member of PEC's Board of Directors. PEC borrowed \$1,800,000 from an unrelated private foundation at 3% interest. PEC loaned the funds to Gilbert's Corner, LLC to acquire certain acreage in Loudoun County, Va. and to conserve that property. The interest rate charged by PEC is the same (3%) as the rate being paid by PEC.

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)

2007

Open to Public Inspection

Department of the Treasury
Internal Revenue Service(77)

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

A For the 2007 calendar year, or tax year beginning , 2007, **and ending** ,

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization The Piedmont Environmental Council, Inc. Number and street (or P.O. box if mail is not delivered to street addr) Room/suite 45 Horner Street City, town or country State ZIP code + 4 Warrenton VA 20186	D Employer Identification Number 54-0935569
		E Telephone number (540) 347-2334
		F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H and I are not applicable to section 527 organizations.

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

H (b) If 'Yes,' enter number of affiliates ▶

H (c) Are all affiliates included? ... Yes No
(If 'No,' attach a list. See instructions.)

H (d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ... ▶ **na**

M Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

G Web site: ▶ **www.pecva.org**

J Organization type (check only one) ▶ 501(c) **3** (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **7,104,469.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

REVENUES	1 Contributions, gifts, grants, and similar amounts received:			
	a Contributions to donor advised funds	1a	0.	
	b Direct public support (not included on line 1a)	1b	6,795,222.	
	c Indirect public support (not included on line 1a)	1c	0.	
	d Government contributions (grants) (not included on line 1a)	1d	30,000.	
	e Total (add lines 1a through 1d) (cash \$ <u>6,325,222.</u> noncash \$ <u>500,000.</u>)	1e	6,825,222.	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2	0.	
	3 Membership dues and assessments	3	0.	
	4 Interest on savings and temporary cash investments	4	2,813.	
	5 Dividends and interest from securities	5	0.	
	6a Gross rents	6a	0.	
	b Less: rental expenses	6b	0.	
c Net rental income or (loss). Subtract line 6b from line 6a	6c	0.		
7 Other investment income (describe ▶ Gilberts Corner LLC interest at 3%)	7	54,000.		
	8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other
		0.	8a	0.
		0.	8b	0.
		0.	8c	0.
d Net gain or (loss). Combine line 8c, columns (A) and (B)	8d	0.		
9 Special events and activities (attach schedule). If any amount is from gaming , check here <input type="checkbox"/>				
a Gross revenue (not including \$ <u>321,215.</u> of contributions reported on line 1b)	9a	199,146.		
b Less: direct expenses other than fundraising expenses	9b	199,146.		
c Net income or (loss) from special events. Subtract line 9b from line 9a	9c	0.		
10a Gross sales of inventory, less returns and allowances	10a	0.		
b Less: cost of goods sold	10b	0.		
c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c	0.		
11 Other revenue (from Part VII, line 103)	11	23,288.		
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	6,905,323.		
EXPENSES	13 Program services (from line 44, column (B))	13	6,875,736.	
	14 Management and general (from line 44, column (C))	14	172,530.	
	15 Fundraising (from line 44, column (D))	15	259,339.	
	16 Payments to affiliates (attach schedule)	16	0.	
	17 Total expenses. Add lines 16 and 44, column (A)	17	7,307,605.	
18 Excess or (deficit) for the year. Subtract line 17 from line 12	18	-402,282.		
ASSETS	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	2,637,159.	
	20 Other changes in net assets or fund balances (attach explanation)	20	0.	
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	2,234,877.	

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See *instructions*.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach sch) (cash \$ 0. non-cash \$ 0.) If this amount includes foreign grants, check here <input type="checkbox"/>	22a	0.	0.		
22b Other grants and allocations (att sch) (cash \$ 0. non-cash \$ 0.) If this amount includes foreign grants, check here <input type="checkbox"/>	22b	0.	0.		
23 Specific assistance to individuals (attach schedule) 0	23	0.	0.		
24 Benefits paid to or for members (attach schedule) 0	24	0.	0.		
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A See L-25a Stmt	25a	328,287.	293,085.	17,053.	18,149.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c	0.	0.	0.	0.
26 Salaries and wages of employees not included on lines 25a, b, and c	26	2,493,949.	2,246,863.	115,508.	131,578.
27 Pension plan contributions not included on lines 25a, b, and c	27	31,816.	18,322.	5,968.	7,526.
28 Employee benefits not included on lines 25a - 27	28	121,966.	111,353.	4,811.	5,802.
29 Payroll taxes	29	193,526.	173,765.	8,958.	10,803.
30 Professional fundraising fees	30	0.	0.	0.	0.
31 Accounting fees	31	13,442.	0.	7,065.	6,377.
32 Legal fees	32	2,074,630.	2,074,630.	0.	0.
33 Supplies	33	90,850.	84,615.	2,304.	3,931.
34 Telephone	34	64,540.	62,516.	850.	1,174.
35 Postage and shipping	35	93,545.	82,503.	744.	10,298.
36 Occupancy	36	137,369.	134,377.	1,397.	1,595.
37 Equipment rental and maintenance	37	10,087.	8,747.	520.	820.
38 Printing and publications	38	148,864.	110,293.	110.	38,461.
39 Travel	39	96,055.	89,433.	487.	6,135.
40 Conferences, conventions, and meetings	40	13,883.	13,381.	88.	414.
41 Interest	41	152,742.	150,519.	1,038.	1,185.
42 Depreciation, depletion, etc (attach schedule)	42	27,663.	24,817.	1,329.	1,517.
43 Other expenses not covered above (itemize):					
a Advertising	43a	79,324.	78,772.	42.	510.
b Insurance	43b	12,135.	10,986.	537.	612.
c Dues, Subscriptions	43c	40,522.	31,456.	1,352.	7,714.
d R/E Taxes and Other	43d	22,129.	20,236.	814.	1,079.
e General Cnsl-R/E Advisory	43e	290,557.	290,557.	0.	0.
f Professional and Consultant	43f	528,563.	528,563.	0.	0.
g See Other Expenses Stmt	43g	241,161.	235,947.	1,555.	3,659.
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44	7,307,605.	6,875,736.	172,530.	259,339.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ <u>See attached statement</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
<p>a <u>County Issues-Analyze county planning proposals for environmental impact and develop sound conservation alternatives.</u></p> <p>(Grants and allocations \$ 0.) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	1,356,936.
<p>b <u>Land Use-Analyze county and regional land use policies and provide public education</u></p> <p>(Grants and allocations \$ 0.) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	1,610,807.
<p>c <u>Land Conservation-Research and apply the economics of rural land preservation, provide public education on land conservation options and acquire and preserve vital property</u></p> <p>(Grants and allocations \$ 0.) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	1,763,900.
<p>d <u>Growth Management and Transportation-promote orderly economic progress sensitive to conserving resources; analyze the impact of planned roadways in order to promote alternatives that minimize damage to the Piedmont</u></p> <p>(Grants and allocations \$ 0.) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	908,420.
<p>e Other program services Environmental Education (Grants and allocations \$ 0.) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	1,235,673.
<p>f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶</p>	6,875,736.

BAA

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

ASSETS

LIABILITIES

		(A) Beginning of year		(B) End of year	
45	Cash – non-interest-bearing	0.	45		0.
46	Savings and temporary cash investments	321,116.	46		536,409.
47a	Accounts receivable	0.			
	b Less: allowance for doubtful accounts	0.	47b	0.	47c
48a	Pledges receivable	492,545.	48a		
	b Less: allowance for doubtful accounts	0.	48b	0.	48c
49	Grants receivable		49		0.
50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a		0.
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50b		0.
51a	Other notes and loans receivable (attach schedule) L-51a Stmt	1,895,000.	51a		
	b Less: allowance for doubtful accounts	0.	51b		51c
52	Inventories for sale or use		52		
53	Prepaid expenses and deferred charges	58,557.	53		73,640.
54a	Investments – publicly-traded securities L-54a Stmt <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	66,331.	54a		41,374.
	b Investments – other securities (attach sch) <input type="checkbox"/> Cost <input type="checkbox"/> FMV	0.	54b		0.
55a	Investments – land, buildings, & equipment: basis	3,548,688.	55a		
	b Less: accumulated depreciation (attach schedule) L-55 Stmt	0.	55b		55c
56	Investments – other (attach schedule)		56		
57a	Land, buildings, and equipment: basis	742,540.	57a		
	b Less: accumulated depreciation (attach schedule) L-57 Stmt	314,380.	57b		57c
58	Other assets, including program-related investments (describe _____)		58		
59	Total assets (must equal line 74). Add lines 45 through 58	6,705,385.	59		7,015,816.
60	Accounts payable and accrued expenses	440,050.	60		647,188.
61	Grants payable	0.	61		0.
62	Deferred revenue	0.	62		0.
63	Loans from officers, directors, trustees, and key employees (attach schedule)	0.	63		0.
64a	Tax-exempt bond liabilities (attach schedule)	0.	64a		0.
	b Mortgages and other notes payable (attach schedule)	3,628,176.	64b		4,133,751.
65	Other liabilities (describe _____)	0.	65		
66	Total liabilities. Add lines 60 through 65	4,068,226.	66		4,780,939.
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.					
67	Unrestricted	-140,156.	67		-564,308.
68	Temporarily restricted	2,777,315.	68		2,799,185.
69	Permanently restricted	0.	69		0.
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.					
70	Capital stock, trust principal, or current funds		70		
71	Paid-in or capital surplus, or land, building, and equipment fund		71		
72	Retained earnings, endowment, accumulated income, or other funds		72		
73	Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	2,637,159.	73		2,234,877.
74	Total liabilities and net assets/fund balances. Add lines 66 and 73	6,705,385.	74		7,015,816.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements		a	6,905,323.
b	Amounts included on line a but not on Part I, line 12:			
	1 Net unrealized gains on investments	b1		
	2 Donated services and use of facilities	b2		
	3 Recoveries of prior year grants	b3		
	4 Other (specify):	b4		
	Add lines b1 through b4		b	
c	Subtract line b from line a		c	6,905,323.
d	Amounts included on Part I, line 12, but not on line a :			
	1 Investment expenses not included on Part I, line 6b	d1		
	2 Other (specify):	d2		0.
	na			
	Add lines d1 and d2		d	0.
e	Total revenue (Part I, line 12). Add lines c and d		e	6,905,323.

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements		a	7,307,605.
b	Amounts included on line a but not on Part I, line 17:			
	1 Donated services and use of facilities	b1		
	2 Prior year adjustments reported on Part I, line 20	b2		
	3 Losses reported on Part I, line 20	b3		
	4 Other (specify):	b4		
	Add lines b1 through b4		b	
c	Subtract line b from line a		c	7,307,605.
d	Amounts included on Part I, line 17, but not on line a :			
	1 Investment expenses not included on Part I, line 6b	d1		
	2 Other (specify):	d2		
	Add lines d1 and d2		d	
e	Total expenses (Part I, line 17). Add lines c and d		e	7,307,605.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
Christopher Miller 45 Horner St. Warrenton, VA	President 50.00	200,000.	10,000.	1,671.
Douglas C. Larson 45 Horner St. Warrenton, VA	Vice-President 50.00	111,063.	5,553.	0.
Nancy Baudhuin 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Andrew Carter 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Dennis Campbell 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
See List of Officers, Directors, Trustees, & Key Employees Statement				

Part VI Other Information (continued)

		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
	82 b 22,000.		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
84 b			
85 a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	N/A	
c	Dues, assessments, and similar amounts from members	N/A	
d	Section 162(e) lobbying and political expenditures	N/A	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	N/A	
b	Gross receipts, included on line 12, for public use of club facilities	N/A	
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders	N/A	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	N/A	
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX		X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Part XI		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
89 g		N/A	
90 a	List the states with which a copy of this return is filed ▶ See States Filed In		
b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)		53
91 a	The books are in care of ▶ Jay Clevenson Telephone number ▶ (540) 347-2334 Located at ▶ 45 Horner Street, Warrenton, VA ZIP + 4 ▶ 20186		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country ▶		X
91 b			

See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91 c Yes No
 If 'Yes,' enter the name of the foreign country _____
 92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here
 and enter the amount of tax-exempt interest received or accrued during the tax year 92

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	2,813.	
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income			14	54,000.	
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events			1	0.	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b Day Camp Reimb/Other					13,308.
c Seminar Fees					9,980.
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				56,813.	23,288.
105 Total (add line 104, columns (B), (D), and (E))					80,101.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
 103a Day Camps introduce youth to the importance of environmental conservation. Camps operate at a loss.
 103b see attached explanation
 See Relationship of Activities to the Accomplishment of Exempt Purposes Statement

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	0			
	0			
	0			
	0			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
 b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

N/A
Yes No

106 Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

Yes No

107 Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity

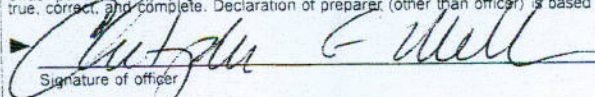
	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

Yes No

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

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.

Please Sign Here



10/11/08
Date

Christopher G. Miller
Type or print name and title

President

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed

Preparer's SSN or PTIN (See General Instruction X)

Firm's name (or yours if self-employed), address, and ZIP + 4
Self-Prepared

EIN

Phone no.

BAA

SCHEDULE A
(Form 990 or 990-EZ)

**Organization Exempt Under
Section 501(c)(3)**

OMB No. 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

2007

Supplementary Information — (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

Department of the Treasury
Internal Revenue Service

Name of the organization

The Piedmont Environmental Council, Inc.

Employer identification number

54-0935569

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
Edward Gorski 45 Horner St. Warrenton VA 20186	Field Director 40.00	72,755.	3,638.	0.
Dabney Kerr 45 Horner St. Warrenton VA 20186	Dir-Capital Campaign 40.00	70,000.	3,500.	0.
Jay Clevenson 45 Horner St. Warrenton VA 20186	Dir. of Finance 40.00	113,285.	5,664.	0.
James S. Schwartz 45 Horner St. Warrenton VA 20186	Dir-Smarter Growth 40.00	95,000.	4,750.	0.
Robert Lazaro 45 Horner St. Warrenton VA 20186	Dir-Communications 40.00	81,120.	4,056.	0.
Total number of other employees paid over \$50,000 ▶	14			

Part II - A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
MERRILL ENERGY LLC 9 EXCHANGE PLACE, #961, SALT LAKE CITY, UT 84111	Professional advisory	195,126.
GEORGIA H. HERBERT P.C. P.O. Box 21 THE PLAINS, VA 20198	LEGAL-Real Estate Advisory	365,894.
MACAULAY & BURTCHE, P C P.O. BOX 8088 RICHMOND, VA 23223	Advisory	132,632.
MEGAN, INC 5618 ROCK HILL MILL ROAD THE PLAINS, VA 20198	LAND CONSERVATION ADVISORY	51,801.
BRACEWELL & GIULIANI LLP 2000 K ST NW, #500, WASHINGTON, DC 20006-1872	Professional Advisory	865,790.
Total number of others receiving over \$50,000 for professional services ▶	None	

Part II - B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Federal City Caterers 1119 12TH STREET NW WASHINGTON, DC 20005	Catering and rentals	51,173.
Total number of other contractors receiving over \$50,000 for other services ▶	None	

Part III Statements About Activities (See instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>182,818.</u> <u>182,818.</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1	X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets?	2e	X
3a Did the organization make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a	X
b Did the organization have a section 403(b) annuity plan for its employees?	3b	X
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' attach a detailed statement See Line 3c Stmt	3c	X
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	X
4a Did the organization maintain any donor advised funds? If 'Yes,' complete lines 4b through 4g. If 'No,' complete lines 4f and 4g	4a	X
b Did the organization make any taxable distributions under section 4966?	4b	
c Did the organization make a distribution to a donor, donor advisor, or related person?	4c	
d Enter the total number of donor advised funds owned at the end of the tax year ▶ _____		
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ _____		
f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶ _____		0
g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ _____		0.

Part IV Reason for Non-Private Foundation Status (See instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ -----
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11 a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11 b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: **(1) more than 33-1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc, functions — subject to certain exceptions, and **(2) no more than 33-1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization: ▶
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					▶

14 An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	5,034,343.	5,346,456.	3,272,709.	3,232,137.	16,885,645.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc. purpose	24,580.	41,301.	13,899.	14,307.	94,087.
18 Gross income from interest, dividends, arnts rec'd from payments on securities loans (sec. 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less sec. 511 taxes) from businesses acquired by the organization after June 30, 1975	61,834.	29,623.	5,019.	183.	96,659.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets See L-22 Stmt	0.	0.	9,697.	14,307.	24,004.
23 Total of lines 15 through 22	5,120,757.	5,417,380.	3,301,324.	3,260,934.	17,100,395.
24 Line 23 minus line 17	5,096,177.	5,376,079.	3,287,425.	3,246,627.	17,006,308.
25 Enter 1% of line 23	51,208.	54,174.	33,013.	32,609.	
26 Organizations described on lines 10 or 11:					
a Enter 2% of amount in column (e), line 24					26a 340,126.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 2,430,881.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 17,006,308.
d Add: Amounts from column (e) for lines:	18 96,659.	19	22 24,004.	26b 2,430,881.	26d 2,551,544.
e Public support (line 26c minus line 26d total)					26e 14,454,764.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 85.00 %
27 Organizations described on line 12:					
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year: (2006) _____ (2005) _____ (2004) _____ (2003) _____					
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2006) _____ (2005) _____ (2004) _____ (2003) _____					
c Add: Amounts from column (e) for lines:	15 _____	16 _____	17 _____	20 _____	21 _____
d Add: Line 27a total _____ and line 27b total _____					27c _____
e Public support (line 27c total minus line 27d total)					27d _____
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27e _____
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27f _____
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27g _____
					27h _____

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See instructions.)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.)		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.)		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked 'a' and 'limited control' provisions apply.

Limits on Lobbying Expenditures

(The term 'expenditures' means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for all electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	95,757.	95,757.
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	87,061.	87,061.
38	Total lobbying expenditures (add lines 36 and 37)	182,818.	182,818.
39	Other exempt purpose expenditures	7,124,787.	7,124,787.
40	Total exempt purpose expenditures (add lines 38 and 39)	7,307,605.	7,307,605.
41	Lobbying nontaxable amount. Enter the amount from the following table —		
	If the amount on line 40 is —		
	The lobbying nontaxable amount is —		
	Not over \$500,000	20% of the amount on line 40	
	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	
	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
	Over \$17,000,000	\$1,000,000	
41		515,380.	515,380.
42	Grassroots nontaxable amount (enter 25% of line 41)	128,845.	128,845.
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	0.	0.
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	0.	0.

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period					
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total	
45	Lobbying nontaxable amount	515,380.	409,916.	396,136.	351,912.	1,673,344.
46	Lobbying ceiling amount (150% of line 45(e))					2,510,016.
47	Total lobbying expenditures	182,818.	191,296.	211,410.	140,269.	725,793.
48	Grassroots non-taxable amount	128,845.	120,144.	99,034.	87,978.	436,001.
49	Grassroots ceiling amount (150% of line 48(e))					654,002.
50	Grassroots lobbying expenditures	95,757.	71,152.	67,149.	61,642.	295,700.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

N/A

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

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

Yes	No	Amount

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities.

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors
Supplementary Information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No. 1545-0047

2007

Name of organization The Piedmont Environmental Council, Inc.	Employer identification number 54-0935569
---	---

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Form 990-PF

Section:

- 501(c)(3) (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization

- 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the **General Rule** and a **Special Rule** – see instructions.)

General Rule –

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

Special Rules –

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

Caution: Organizations that are not covered by the **General Rule** and/or the **Special Rules** do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

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

Schedule **B** (Form 990, 990-EZ, or 990-PF) (2007)

Piedmont Environmental Council

Form 990 for tax year beginning 1/01/2007 and ending 12/31/2007

EIN 54-0935569

Schedule B, Form 990

Contributions of \$5,000 or more
Included on Part I, Line 1d

Continuation

Page 1 of 3

Num- ber	Name	Address and Zip	Aggregate Total	Per- son	Non- cash
-------------	------	-----------------	--------------------	-------------	--------------

Piedmont Environmental Council

Form 990 for tax year beginning 1/01/2007 and ending 12/31/2007

EIN 54-0935569

Schedule B, Form 990

Contributions of \$5,000 or more
Included on Part I, Line 1d

Continuation

Page 2 of 3

Number	Name	Address and Zip	Aggregate Total	Per- son	Non- cash
--------	------	-----------------	--------------------	-------------	--------------

Piedmont Environmental Council

Form 990 for tax year beginning 1/01/2007 and ending 12/31/2007

EIN 54-0935569

Schedule B, Form 990

Contributions of \$5,000 or more
Included on Part I, Line 1d

Continuation

Page 3 of 3

Number	Name	Address and Zip	Aggregate Total	Per- son	Non- cash
--------	------	-----------------	--------------------	-------------	--------------

Name of organization

Employer identification number

The Piedmont Environmental Council, Inc.

54-0935569

Part II Noncash Property (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
41	Diamond necklace, valued using professional appraisal provided by donor. Sold at auction for \$4,500.	\$ 4,685.	07/11/07
87	2 Sculptures, miniature "Gothic" full armour, made from steel on a velvet plinth, circa 1860	\$ 5,793.	03/05/07
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name as Shown on Return The Piedmont Environmental Council, Inc.	Employer Identification No. 54-0935569
---	---

Compensation

Name	Chk if a Bus	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Christopher Miller	<input type="checkbox"/>	200,000.	178,485.	10,364.	11,151.
Douglas C. Larson	<input type="checkbox"/>	111,063.	99,115.	5,755.	6,193.
Nancy Baudhuin	<input type="checkbox"/>	0.			
Andrew Carter	<input type="checkbox"/>	0.			
See Compensation					
Total Compensation Received		311,063.	277,600.	16,119.	17,344.

Contributions to Employee Benefit Plans & Deferred Compensation Plans

Name	Chk if a Bus	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Christopher Miller	<input type="checkbox"/>	10,000.	8,900.	600.	500.
Douglas C. Larson	<input type="checkbox"/>	5,553.	5,100.	253.	200.
Nancy Baudhuin	<input type="checkbox"/>	0.			
Andrew Carter	<input type="checkbox"/>	0.			
See Employee Benefit Plans & Deferred Compensation Plans					
Total Contributions to Employee Benefit Plans & Deferred Compensation Plans		15,553.	14,000.	853.	700.

Expense Account and Other Allowances

Name	Chk if a Bus	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Christopher Miller	<input type="checkbox"/>	1,671.	1,485.	81.	105.
Douglas C. Larson	<input type="checkbox"/>	0.			
Nancy Baudhuin	<input type="checkbox"/>	0.	0.	0.	0.
Andrew Carter	<input type="checkbox"/>	0.			
See Expense Account and Other Allowances					
Total Expense Account and Other Allowances		1,671.	1,485.	81.	105.
Total to Part II, Line 25a... ▶		328,287.	293,085.	17,053.	18,149.

Form 990, Page 2, Part II, Line 43

Other Expenses Stmt

	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Other expenses not covered above (itemize):				
Event Services	51,349.	47,660.	844.	2,845.
Web and Internet	49,206.	49,206.	0.	0.
Wetland Protect/Enhancement	29,020.	29,020.	0.	0.
Transportation Consultants	64,235.	64,235.	0.	0.
Publications/Maps	5,574.	5,514.	27.	33.
Memberships/Donations	41,777.	40,312.	684.	781.
Amortization	0.			
Total	241,161.	235,947.	1,555.	3,659.

Form 990, Page 5, Part V-A

List of Officers, Directors, Trustees, & Key Employees Statement

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Virginia Dawson Dorkey 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Barbara Bianco 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Mark J. Ohrstrom 45 Horner St. Warrenton, VA	Vice-Chair 5.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Michael Prentiss 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> John H. Birdsall, III 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Mary Mills Abel Smith 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> R. Barry Hamilton 45 Horner St. Warrenton, VA	Treasurer 5.00	0.	0.	0.

List of Officers, Directors, Trustees, & Key Employees Statement

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Ronald Bird 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Carroll Blundon 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Leslie Cockburn 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Roy Dye 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Lynn Coleman 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Lindy Sanford 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Antoinette Brewster 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> James Kleeblatt 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Terrell Marsh 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Marcia B. deGarmo 45 Horner St. Warrenton, VA	Secretary 5.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> George Ohrstrom, II 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Stephanie Ridder 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.

Form 990, Page 5, Part V-A

Continued

List of Officers, Directors, Trustees, & Key Employees Statement

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Judy Randall 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Linda Ingram 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> John Jaske 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Jean Perin 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> John H. Snyder 45 Horner St. Warrenton, VA	Vice-Chair 5.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> David Crowe 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Robert French 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Nicholas Snow 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Steven Brooks 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Merrill Strange 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Peter Railey Taylor 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Carlton Vanderwarker, Jr. 45 Horner St. Warrenton, VA	Chair 10.00	0.	0.	0.

List of Officers, Directors, Trustees, & Key Employees Statement

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Malcolm Baldwin 45 Horner St. Warrenton, VA	Director 2.00			0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Margaret Richardson 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> John Sponski 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> William Wolf 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Annie T. Williams 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Elke Kyff 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> David Perdue 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.
Business <input type="checkbox"/> Person <input checked="" type="checkbox"/> Robert Runkle 45 Horner St. Warrenton, VA	Director 2.00	0.	0.	0.

Form 990, Part VI, Page 7, Line 90a

States Filed In

- _____ District of Columbia
- _____ Maryland
- _____ Virginia

Form 990, Page 8, Part VIII

Relationship of Activities to the Accomplishment of Exempt Purposes Statement

Line Number ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
103b	<u>Seminars about land conservation, conservation easements and the tax impact of these vehicles are held for appraisers, attorneys, accountants and other interested parties and provide up-to-date information on the changing environment and assist in accomplishing our land preservation objectives. Seminar fees do not cover the costs of the seminar, including speaker fees, space rental, and lunch, generally provided for the full day seminars.</u>

Form 990, Part II, Line 25a

Compensation

Compensation

Name	Chk if a Bus	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Dennis Campbell		0.			
Virginia Dawson Dorkey		0.			
Barbara Bianco		0.			
Mark J. Ohrstrom		0.			
Michael Prentiss		0.			
John H. Birdsall, III		0.			
Mary Mills Abel Smith		0.			
R. Barry Hamilton		0.			
Ronald Bird		0.			
Carroll Blundon		0.			
Leslie Cockburn		0.			
Roy Dye		0.			
Lynn Coleman		0.			
Lindy Sanford		0.			
Antoinette Brewster		0.			
James Kleeblatt		0.			
Terrell Marsh		0.			
Marcia B. deGarmo		0.			
George Ohrstrom, II		0.			
Stephanie Ridder		0.			
Judy Randall		0.			
Linda Ingram		0.			
John Jaske		0.			
Jean Perin		0.			
John H. Snyder		0.			
David Crowe		0.			
Robert French		0.			
Nicholas Snow		0.			
Steven Brooks		0.			
Merrill Strange		0.			
Peter Railey Taylor		0.			
Carlton Vanderwarker, Jr.		0.			

Form 990, Part II, Line 25a

Continued

Compensation

Compensation					
Name	Chk if a Bus	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Malcolm Baldwin		0.	0.	0.	0.
Margaret Richardson		0.			
John Sponski		0.			
William Wolf		0.			
Annie T. Williams		0.			
Elke Kyff		0.			
David Perdue		0.			
Robert Runkle		0.			
Total		0.	0.	0.	0.

Form 990, Part II, Line 25a

Employee Benefit Plans & Deferred Compensation Plans

Contributions to Employee Benefit Plans & Deferred Compensation Plans

Name	Chk if a Bus	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Dennis Campbell		0.			
Virginia Dawson Dorkey		0.			
Barbara Bianco		0.			
Mark J. Ohrstrom		0.			
Michael Prentiss		0.			
John H. Birdsall, III		0.			
Mary Mills Abel Smith		0.			
R. Barry Hamilton		0.			
Ronald Bird		0.			
Carroll Blundon		0.			
Leslie Cockburn		0.			
Roy Dye		0.			
Lynn Coleman		0.			
Lindy Sanford		0.			
Antoinette Brewster		0.			
James Kleeblatt		0.			
Terrell Marsh		0.			
Marcia B. deGarmo		0.			
George Ohrstrom, II		0.			
Stephanie Ridder		0.			
Judy Randall		0.			
Linda Ingram		0.			
John Jaske		0.			
Jean Perin		0.			
John H. Snyder		0.			
David Crowe		0.			
Robert French		0.			
Nicholas Snow		0.			

Form 990, Part II, Line 25a

Continued

Employee Benefit Plans & Deferred Compensation Plans

Contributions to Employee Benefit Plans & Deferred Compensation Plans

Name	Chk if a Bus	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Steven Brooks		0.			
Merrill Strange		0.			
Peter Railey Taylor		0.			
Carlton Vanderwarker, Jr.		0.			
Malcolm Baldwin		0.	0.	0.	0.
Margaret Richardson		0.			
John Sponski		0.			
William Wolf		0.			
Annie T. Williams		0.			
Elke Kyff		0.			
David Perdue		0.			
Robert Runkle		0.			
Total		0.	0.	0.	0.

Form 990, Part II, Line 25a

Expense Account and Other Allowances

Expense Account and Other Allowances

Name	Chk if a Bus	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Dennis Campbell		0.			
Virginia Dawson Dorkey		0.			
Barbara Bianco		0.			
Mark J. Ohrstrom		0.			
Michael Prentiss		0.			
John H. Birdsall, III		0.			
Mary Mills Abel Smith		0.			
R. Barry Hamilton		0.			
Ronald Bird		0.			
Carroll Blundon		0.			
Leslie Cockburn		0.			
Roy Dye		0.			
Lynn Coleman		0.			
Lindy Sanford		0.			
Antoinette Brewster		0.			
James Kleeblatt		0.			
Terrell Marsh		0.			
Marcia B. deGarmo		0.			
George Ohrstrom, II		0.			
Stephanie Ridder		0.			
Judy Randall		0.			
Linda Ingram		0.			
John Jaske		0.			
Jean Perin		0.			

Form 990, Part II, Line 25a

Continued

Expense Account and Other Allowances

Expense Account and Other Allowances

Name	Chk if a Bus	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
John H. Snyder		0.			
David Crowe		0.			
Robert French		0.			
Nicholas Snow		0.			
Steven Brooks		0.			
Merrill Strange		0.			
Peter Railey Taylor		0.			
Carlton Vanderwarker, Jr.		0.			
Malcolm Baldwin		0.			
Margaret Richardson		0.			
John Sponski		0.			
William Wolf		0.			
Annie T. Williams		0.			
Elke Kyff		0.			
David Perdue		0.			
Robert Runkle		0.			
Total		<u>0.</u>			

Form 990, Page 4, Part IV, Line 51a

Other Notes and Loans Receivable

Description	Amount
Mount Zion Church Preservation Association	95,000.
Gilberts Corner LLC	1,800,000.
Total	<u>1,895,000.</u>

Form 990, Page 4, Part IV, Line 54a

Investments - Publicly-Traded Securities Statement

Description	Cost or FMV	Beginning of Year	End of Year
Publicly Traded Securities	FMV	66,331.	41,374.
Total		<u>66,331.</u>	<u>41,374.</u>

Form 990, Page 4, Part IV, Lines 55a & 55b

Investments - Land, Buildings and Equipment Statement

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
Land held for conservancy - Ovoka Farm appx 740 acres adjacent to Paris, Va. and Ashby Gap in the Virginia Piedmont valued at cost	3,548,688.	0.	3,548,688.
Total	<u>3,548,688.</u>	<u>0.</u>	<u>3,548,688.</u>

Form 990, Page 4, Part IV, Lines 57a & 57b

Land, Buildings and Equipment Statement

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
Land - 45 Horner St. Warrenton, VA	76,206.		76,206.
Bldg. & Improvements-45 Horner St. Warrenton, Va.	561,859.		561,859.
Office Furniture and Equipment	104,475.		104,475.
		314,380.	-314,380.
Depreciation is calculated using the straight-line method over the life of the equipment.			
Bldg and Improvements - 31.5 yrs			
Furniture and Equipment - 3 to 10 yrs			
Total	<u>742,540.</u>	<u>314,380.</u>	<u>428,160.</u>

Form 990, Part V-A, Line 75b

Relationship Schedule

Name 1 Mark Ohrstron Person Business ...
 Title or Role Vice-Chair and Member of the Board of Directors
 Name 2 George Ohrstrom, II Person Business ...
 Title or Role Member of the Board of Directors
 Relationship half-brothers

Explanation Statement

Form/Line: Schedule A, Page 2, Part III line 3c
 Explanation of: Receive or Hold Easement for Conservation Purposes

see attached schedule

Piedmont Environmental Council

Form 990 for tax year beginning 1/01/2007 and ending 12/31/2007
EIN 54-0935569

**Receive or Hold Easements for
Conservation Purposes**

Sch. A, pg. 2 Part III
Line 3C

		Easements	Acreages	States
1	Totals as of 1/1/2007	22	3,766.50	1 (Virginia)
2	Easements accepted during 2007	5	678.79	1 (Virginia)
3	Easements modified, sold, transferred, released, or terminated in 2007	0	0.00	0
4	Easements held in the following categories as of 12/31/2007			
a.	--on buildings or structures	0		
b.	--encumbering a golf course, or portion thereof	0		
c.	--within or adjacent to residential developments or subdivisions	0		
d.	--Conservation Easements described in IRB 2004-28, Notice 2004-21	0		
5	Easements and acreages monitored in 2007	27	4,445.29	1 (Virginia)
6	Staff hours and expenses incurred in monitoring and enforcement in 2007		<u>Hours</u>	<u>Expenses</u>
	Staff		350	\$ 12,250
	Legal Consultant		120	\$ 29,400
7	Easements on buildings or structures acquired after 8/17/2006	None		

Schedule A, Part IV-A, Line 22

Other Income

Description	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
lease of land	0.	0.	9,697.	14,307.	24,004.
Total	<u>0.</u>	<u>0.</u>	<u>9,697.</u>	<u>14,307.</u>	<u>24,004.</u>

Supporting Statement of:

Form 990 p 2/Line 26 column (B)

Description	Amount
	2,248,348.
	-1,485.
Total	<u>2,246,863.</u>

Supporting Statement of:

Form 990 p 2/Line 26 column (C)

Description	Amount
	115,589.
	-81.
Total	<u>115,508.</u>

Supporting Statement of:

Form 990 p 4/Line 64b, column (A)

Description	Amount
Prince Charitable Trusts	1,800,000.
Fauquier County, Va.	450,000.
The Piedmont Foundation	1,378,176.
Total	<u>3,628,176.</u>

Supporting Statement of:

Form 990 p 4/Line 64b, column (B)

Description	Amount
The Piedmont Foundation	1,883,751.
Prince Charitable Trusts	1,800,000.
Fauquier County, Va.	450,000.
Total	<u>4,133,751.</u>

Additional Information For Tax Return

The Piedmont Environmental Council, Inc.

54-0935569

Form 990 p 3: Exempt purpose

Organization's Primary Exempt Purpose :

To preserve and protect the Virginia Piedmont through public education, land conservation and promoting good public policy.

Sch. A, 990 p 2: Line 2d, Yes checkbox

Christopher Miller is a full time employee of PEC and serves as its President. Douglas Larson is a full time employee of PEC and serves as Vice-President. Both employees receive a salary from PEC as compensation, as detailed in Part V of Form 990.