

Form **990**  
 Department of the Treasury  
 Internal Revenue Service

**Return of Organization Exempt From Income Tax**  
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)  
 Do not enter social security numbers on this form as it may be made public  
 Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

OMB No 1545-0047

**2014**

**Open to Public Inspection**

**A For the 2014 calendar year, or tax year beginning 07-01-2014, and ending 06-30-2015**

- B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return/terminated  
 Amended return  
 Application pending

**C** Name of organization  
 NATIONAL GOVERNORS ASSOCIATION  
 CENTER FOR BEST PRACTICES

Doing business as

Number and street (or P O box if mail is not delivered to street address) Room/suite  
 444 N CAPITOL STREET NW SUITE 267

City or town, state or province, country, and ZIP or foreign postal code  
 WASHINGTON, DC 20001

**D** Employer identification number  
 23-7391796

**E** Telephone number  
 (202) 624-5300

**G** Gross receipts \$ 25,302,210

**F** Name and address of principal officer  
 SCOTT PATTISON  
 444 N CAPITOL STREET NW  
 WASHINGTON, DC 20001

**H(a)** Is this a group return for subordinates?  Yes  No

**H(b)** Are all subordinates included?  Yes  No  
 If "No," attach a list (see instructions)

**H(c)** Group exemption number

**I** Tax-exempt status  501(c)(3)  501(c) ( ) (insert no )  4947(a)(1) or  527

**J** Website: WWW.NGA.ORG

**K** Form of organization  Corporation  Trust  Association  Other

**L** Year of formation 1974 **M** State of legal domicile DC

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities TO PROVIDE TAILORED TECHNICAL ASSISTANCE FOR CHALLENGES FACING THE STATES, IDENTIFY AND SHARE BEST PRACTICES, AND SERVE AS AN INFORMATION CLEARINGHOUSE ON GUBERNATORIAL INITIATIVES		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	4	
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	4		
<b>5</b> Total number of individuals employed in calendar year 2014 (Part V, line 2a)	77		
<b>6</b> Total number of volunteers (estimate if necessary)	6		
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	0		
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	7b		
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	15,320,542	20,292,399
	<b>9</b> Program service revenue (Part VIII, line 2g)	611,095	531,782
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,199,038	860,409
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	169,821	140,611
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	17,300,496	21,825,201
	<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		0	0
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		8,466,441	8,831,714
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		0	0
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) $\rightarrow$ 542,860		0	0
<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)		7,628,165	6,905,568
<b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	16,094,606	15,737,282	
<b>19</b> Revenue less expenses Subtract line 18 from line 12	1,205,890	6,087,919	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	24,025,416	30,178,936
	<b>21</b> Total liabilities (Part X, line 26)	487,950	796,550
	<b>22</b> Net assets or fund balances Subtract line 21 from line 20	23,537,466	29,382,386

**Part II Signature Block**

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

**Sign Here**

\*\*\*\*\*  
 Signature of officer

SCOTT PATTISON EXECUTIVE DIRECTOR  
 Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name  
 THERESA HUTCHINSON

Preparer's signature  
 THERESA HUTCHINSON

Firm's name  $\rightarrow$  COATES & HUTCHINSON PC

Firm's address  $\rightarrow$  P O BOX 561  
 ODENTON, MD 21113

May the IRS discuss this return with the preparer shown above? (see instructions)

**For Paperwork Reduction Act Notice, see the separate instructions.**

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission
TO PROVIDE TAILORED TECHNICAL ASSISTANCE FOR CHALLENGES FACING THE STATES, IDENTIFY AND SHARE BEST PRACTICES, AND SERVE AS AN INFORMATION CLEARINGHOUSE ON GUBERNATORIAL INITIATIVES

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code ) (Expenses \$ 3,311,498 including grants of \$ ) (Revenue \$ )
EDUCATION DIVISION DURING 2015, THE NGA CENTER FOR BEST PRACTICES EDUCATION DIVISION PROVIDED INFORMATION, RESEARCH, POLICY ANALYSIS, TECHNICAL ASSISTANCE, AND MODEST FINANCIAL SUPPORT ON KEY ISSUES RELEVANT TO GOVERNORS AND THEIR STAFF IN THE AREAS OF EARLY CHILDHOOD, K-12, AND POSTSECONDARY EDUCATION...

4b (Code ) (Expenses \$ 1,667,144 including grants of \$ ) (Revenue \$ )
ECONOMIC, HUMAN SERVICES AND WORKFORCE DIVISION DURING 2015, THE ECONOMIC DEVELOPMENT, HUMAN SERVICES AND WORKFORCE DIVISION PROVIDED INFORMATION, RESEARCH, POLICY ANALYSIS, TECHNICAL ASSISTANCE ON KEY ISSUES RELEVANT TO GOVERNORS AND THEIR SENIOR STAFF, INCLUDING TRENDS IN STATE POLICIES TOWARDS ECONOMIC DEVELOPMENT, IMPROVING THE FUNCTIONING OF WORKFORCE SYSTEMS, IMPLEMENTATION OF THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)...

4c (Code ) (Expenses \$ 444,062 including grants of \$ ) (Revenue \$ )
WORKFORCE DEVELOPMENT TECHNICAL ASSISTANCE PROGRAM WORKFORCE DEVELOPMENT INITIATIVES AND TECHNICAL ASSISTANCE -PROVIDED TECHNICAL ASSISTANCE TO STATE WORKFORCE BOARD CHAIRS AND AGENCY LEADERS TO SUPPORT IMPROVED FUNCTIONING OF STATE PUBLIC WORKFORCE SYSTEMS THROUGH THE WORKFORCE DEVELOPMENT TECHNICAL ASSISTANCE PROGRAM...

See Additional Data

4d Other program services (Describe in Schedule O )
(Expenses \$ 6,354,095 including grants of \$ ) (Revenue \$ )

4e Total program service expenses 11,776,799

**Part IV Checklist of Required Schedules**

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

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

<b>21</b>	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	<b>21</b>		No
<b>22</b>	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	<b>22</b>		No
<b>23</b>	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> . . . . .	<b>23</b>	Yes	
<b>24a</b>	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> . . . . .	<b>24a</b>		No
<b>b</b>	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	<b>24b</b>		
<b>c</b>	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	<b>24c</b>		
<b>d</b>	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	<b>24d</b>		
<b>25a</b>	<b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	<b>25a</b>		No
<b>b</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> . . . . .	<b>25b</b>		No
<b>26</b>	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i> . . . . .	<b>26</b>		No
<b>27</b>	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	<b>27</b>		No
<b>28</b>	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)			
<b>a</b>	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28a</b>		No
<b>b</b>	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28b</b>		No
<b>c</b>	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28c</b>		No
<b>29</b>	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	<b>29</b>		No
<b>30</b>	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	<b>30</b>		No
<b>31</b>	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	<b>31</b>		No
<b>32</b>	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> . . . . .	<b>32</b>		No
<b>33</b>	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> . . . . .	<b>33</b>		No
<b>34</b>	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> . . . . .	<b>34</b>	Yes	
<b>35a</b>	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	<b>35a</b>		No
<b>b</b>	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	<b>35b</b>		
<b>36</b>	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	<b>36</b>		No
<b>37</b>	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> . . . . .	<b>37</b>		No
<b>38</b>	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	<b>38</b>	Yes	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	<b>1a</b> 100		
<b>b</b> Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	<b>1b</b> 0		
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<b>1c</b>	Yes	
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<b>2a</b> 77		
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	<b>2b</b>	Yes	
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?	<b>3a</b>		No
<b>b</b> If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation in Schedule O</i>	<b>3b</b>		
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	<b>4a</b>		No
<b>b</b> If "Yes," enter the name of the foreign country <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span> See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)			
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>		No
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>		No
<b>c</b> If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	<b>5c</b>		
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	<b>6a</b>		No
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>		
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>			
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	<b>7a</b>		No
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7b</b>		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7c</b>		No
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year	<b>7d</b>		
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>		No
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7f</b>		No
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>		
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<b>7h</b>		
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	<b>8</b>		
<b>9a</b> Did the sponsoring organization make any taxable distributions under section 4966?	<b>9a</b>		
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	<b>9b</b>		
<b>10 Section 501(c)(7) organizations.</b> Enter			
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>		
<b>11 Section 501(c)(12) organizations.</b> Enter			
<b>a</b> Gross income from members or shareholders	<b>11a</b>		
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	<b>11b</b>		
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>		
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>		
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>			
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O	<b>13a</b>		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<b>13b</b>		
<b>c</b> Enter the amount of reserves on hand	<b>13c</b>		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?	<b>14a</b>		No
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O</i>	<b>14b</b>		

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

Check if Schedule O contains a response or note to any line in this Part VI . . . . .

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who 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?; 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?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following; 8a The governing body?; 8b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 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?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 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?; 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed AK, AL, AR, AZ, CA, CT, DC, FL, GA, IL, KS, KY, MA, MD, ME, MI, MN, MS, NC, ND, NH, NJ, NM, NY, OH, OK, OR, PA, RI, SC, TN, UT, WA, VA, WI
18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
[checked] Own website [checked] Another's website [checked] Upon request [ ] Other (explain in Schedule O)
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20 State the name, address, and telephone number of the person who possesses the organization's books and records
JOHN THORNBURG

444 N CAPITOL STREET NW SUITE 267 WASHINGTON, DC 20001 (202) 624-5300

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

Check if Schedule O contains a response or note to any line in this Part VII

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

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

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid

• List all of the organization's **current** key employees, if any See instructions for definition of "key employee "

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

• List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) GOVERNOR GARY HERBERT CHAIR	0 40	X					0	0	0	
(2) GOVERNOR PHIL BRYANT BOARD MEMBER	0 20	X					0	0	0	
(3) GOVERNOR STEVE BESHEAR BOARD MEMBER	0 20	X					0	0	0	
(4) GOVERNOR KATE BROWN BOARD MEMBER	0 20	X					0	0	0	
(5) DAN CRIPPEN EXEC DIRECTO	40 00			X			0	297,968	36,260	
(6) BARRY ANDERSON DEPUTY DIREC	40 00			X			0	276,769	28,520	
(7) WILLIAM J GAINER DIR OF ADMN	40 00			X			0	177,107	18,429	
(8) STAN CZERWINSKI CHIEF OPER O	40 00			X			0	128,474	652	
(9) FREDERICK ISASI DIVISION DIR	40 00				X		0	217,964	21,423	
(10) RICHARD LAINE DIVISION DIR	40 00				X		0	209,857	21,156	
(11) DAVID MOORE DIRECTOR NGA	40 00				X		0	208,467	21,156	
(12) ELLIOT SCHWARTZ DEPUTY DIREC	40 00				X		0	181,593	7,826	
(13) SUSAN GANDER DIVISION DIR	40 00				X		0	161,359	34,163	
(14) KEVIN SILARD CORP FELLOWS	40 00				X		0	158,584	28,471	

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(15) MARTIN SIMON PROGRAM DIRE	40 00					X		0	149,459	26,574
(16) THOMAS MACLELLAN DIVISION DIR	40 00					X		0	139,279	13,887
(17) CAROL BACKSTROM PROGRAM DIRE	40 00					X		0	135,265	4,500
(18) SARAH KOZEL PROGRAM DIRE	40 00					X		0	122,750	15,181
(19) ESTHER KROFAH PROGRAM DIRE	40 00					X		0	118,946	27,612

<b>1b Sub-Total</b>			
<b>c Total from continuation sheets to Part VII, Section A</b>			
<b>d Total (add lines 1b and 1c)</b>		2,683,841	305,810

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

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

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
ROSS & ASSOCIATES 1218 THIRD AVE SUITE 1207 SEATTLE, WA 98101	CONSULTING	180,715

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

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b>	Federated campaigns . . . . . <b>1a</b>					
	<b>b</b>	Membership dues . . . . . <b>1b</b>					
	<b>c</b>	Fundraising events . . . . . <b>1c</b>					
	<b>d</b>	Related organizations . . . . . <b>1d</b>					
	<b>e</b>	Government grants (contributions) <b>1e</b>	4,222,680				
	<b>f</b>	All other contributions, gifts, grants, and similar amounts not included above <b>1f</b>	16,069,719				
	<b>g</b>	Noncash contributions included in lines 1a-1f \$					
	<b>h</b>	<b>Total.</b> Add lines 1a-1f . . . . .	20,292,399				
<b>Program Service Revenue</b>	<b>2a</b>	EMPLOYMENT/VOCATIONAL FEES	481,613	481,613			
	<b>b</b>	REGISTRATION FEES	50,169	50,169			
	<b>c</b>						
	<b>d</b>						
	<b>e</b>						
	<b>f</b>	All other program service revenue					
	<b>g</b>	<b>Total.</b> Add lines 2a-2f . . . . .	531,782				
	<b>Other Revenue</b>	<b>3</b>	Investment income (including dividends, interest, and other similar amounts) . . . . .	470,239			470,239
<b>4</b>		Income from investment of tax-exempt bond proceeds . . . . .					
<b>5</b>		Royalties . . . . .					
<b>6a</b>		<b>Gross rents</b>	(i) Real				
			(ii) Personal				
			<b>b</b> Less rental expenses				
			<b>c</b> Rental income or (loss)				
<b>d</b>		<b>Net rental income or (loss)</b> . . . . .					
<b>7a</b>		<b>Gross amount from sales of assets other than inventory</b>	(i) Securities	3,867,179			
			(ii) Other				
			<b>b</b> Less cost or other basis and sales expenses	3,477,009			
			<b>c</b> Gain or (loss)	390,170			
<b>d</b>		<b>Net gain or (loss)</b> . . . . .	390,170			390,170	
<b>8a</b>		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . . <b>a</b>					
<b>b</b>		Less direct expenses . . . . . <b>b</b>					
<b>c</b>	<b>Net income or (loss) from fundraising events</b> . . . . .						
<b>9a</b>	<b>Gross income from gaming activities</b> See Part IV, line 19 . . . . . <b>a</b>						
		<b>b</b> Less direct expenses . . . . . <b>b</b>					
		<b>c</b> <b>Net income or (loss) from gaming activities</b> . . . . .					
<b>10a</b>	<b>Gross sales of inventory, less returns and allowances</b> . . . . . <b>a</b>						
		<b>b</b> Less cost of goods sold . . . . . <b>b</b>					
		<b>c</b> <b>Net income or (loss) from sales of inventory</b> . . . . .					
	Miscellaneous Revenue	Business Code					
<b>11a</b>	ADMINISTRATIVE SERVICE FEES		122,581	122,581			
<b>b</b>	OTHER INCOME		18,030	18,030			
<b>c</b>							
<b>d</b>	All other revenue . . . . .						
<b>e</b>	<b>Total.</b> Add lines 11a-11d . . . . .		140,611				
<b>12</b>	<b>Total revenue.</b> See Instructions . . . . .		21,825,201	672,393		860,409	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>		<b>(A)</b> Total expenses	<b>(B)</b> Program service expenses	<b>(C)</b> Management and general expenses	<b>(D)</b> Fundraising expenses
<b>1</b>	Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21 . . . . .				
<b>2</b>	Grants and other assistance to domestic individuals See Part IV, line 22 . . . . .				
<b>3</b>	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16 . . . . .				
<b>4</b>	Benefits paid to or for members . . . . .				
<b>5</b>	Compensation of current officers, directors, trustees, and key employees . . . . .	1,714,806		1,714,806	
<b>6</b>	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
<b>7</b>	Other salaries and wages . . . . .	5,462,183	4,735,597	474,788	251,798
<b>8</b>	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .	525,376	347,326	159,582	18,468
<b>9</b>	Other employee benefits . . . . .	639,220	422,588	194,162	22,470
<b>10</b>	Payroll taxes . . . . .	490,129	324,023	148,877	17,229
<b>11</b>	Fees for services (non-employees)				
<b>a</b>	Management . . . . .				
<b>b</b>	Legal . . . . .	11,074		11,074	
<b>c</b>	Accounting . . . . .	57,538	32,500	25,038	
<b>d</b>	Lobbying . . . . .				
<b>e</b>	Professional fundraising services See Part IV, line 17				
<b>f</b>	Investment management fees . . . . .	78,851		78,851	
<b>g</b>	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O) . . . . .	1,880,428	1,805,200	63,651	11,577
<b>12</b>	Advertising and promotion . . . . .				
<b>13</b>	Office expenses . . . . .	303,763	211,233	82,953	9,577
<b>14</b>	Information technology . . . . .	37,201	14,272	12,990	9,939
<b>15</b>	Royalties . . . . .				
<b>16</b>	Occupancy . . . . .	944,107	639,952	270,128	34,027
<b>17</b>	Travel . . . . .	715,902	671,232	30,082	14,588
<b>18</b>	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	1,340,702	1,337,861	2,841	
<b>19</b>	Conferences, conventions, and meetings . . . . .	1,187,532	1,018,619	34,040	134,873
<b>20</b>	Interest . . . . .				
<b>21</b>	Payments to affiliates . . . . .				
<b>22</b>	Depreciation, depletion, and amortization . . . . .	140,684	95,361	40,253	5,070
<b>23</b>	Insurance . . . . .	47,733	32,254	13,764	1,715
<b>24</b>	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
<b>a</b>	EQUIPMENT	121,022	82,296	34,420	4,306
<b>b</b>	RECRUITMENT	24,817	1,741	22,717	359
<b>c</b>	FILING & CREDIT CARD FEES	13,137	4,285	1,993	6,859
<b>d</b>	MISCELLANEOUS	1,077	459	613	5
<b>e</b>	All other expenses				
<b>25</b>	<b>Total functional expenses.</b> Add lines 1 through 24e	15,737,282	11,776,799	3,417,623	542,860
<b>26</b>	<b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A)		(B)
		Beginning of year		End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .		<b>1</b>	
	<b>2</b> Savings and temporary cash investments . . . . .	6,387,312	<b>2</b>	7,955,542
	<b>3</b> Pledges and grants receivable, net . . . . .	2,465,623	<b>3</b>	1,652,835
	<b>4</b> Accounts receivable, net . . . . .	860,410	<b>4</b>	6,034,862
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L . . . . .		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	
	<b>8</b> Inventories for sale or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . .	18,296	<b>9</b>	19,263
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D . . . . .	<b>10a</b>		
	<b>b</b> Less accumulated depreciation . . . . .	<b>10b</b>	<b>10c</b>	
	<b>11</b> Investments—publicly traded securities . . . . .	14,293,775	<b>11</b>	14,516,434
	<b>12</b> Investments—other securities See Part IV, line 11 . . . . .		<b>12</b>	
	<b>13</b> Investments—program-related See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets See Part IV, line 11 . . . . .		<b>15</b>	
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	24,025,416	<b>16</b>	30,178,936	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	354,790	<b>17</b>	295,800
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .	133,160	<b>19</b>	500,750
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D . . . . .		<b>25</b>	
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	487,950	<b>26</b>	796,550
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	15,781,835	<b>27</b>	16,029,990
	<b>28</b> Temporarily restricted net assets . . . . .	7,755,631	<b>28</b>	13,352,396
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
<b>33</b> Total net assets or fund balances . . . . .	23,537,466	<b>33</b>	29,382,386	
<b>34</b> Total liabilities and net assets/fund balances . . . . .	24,025,416	<b>34</b>	30,178,936	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	21,825,201
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	15,737,282
<b>3</b>	Revenue less expenses Subtract line 2 from line 1	<b>3</b>	6,087,919
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	23,537,466
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	-242,999
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	
<b>10</b>	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	29,382,386

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
<b>1</b>	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
<b>2b</b>	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis	Yes	
<b>2c</b>	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
<b>3a</b>	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	Yes	
<b>3b</b>	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	Yes	

**Additional Data****Software ID:****Software Version:****EIN:** 23-7391796**Name:** NATIONAL GOVERNORS ASSOCIATION  
CENTER FOR BEST PRACTICES**Form 990, Part III - Line 4c: Program Service Accomplishments (See the Instructions)**

(Code ) (Expenses \$ 6,354,095 including grants of \$ ) (Revenue \$ )

HEALTH DIVISION DURING FY 2015, THE HEALTH DIVISION PROVIDED INFORMATION, RESEARCH, POLICY ANALYSIS, AND TECHNICAL ASSISTANCE, TO STATES ON KEY ISSUES RELEVANT TO GOVERNORS AND THEIR SENIOR STAFFS IN THE SIX CORE FOCUS AREAS OF (1) HEALTH SYSTEMS TRANSFORMATION (2) INNOVATION IN THE DELIVERY AND FINANCING OF MEDICAID SERVICES AND INNOVATIONS IN PRIVATE HEALTH INSURANCE COVERAGE (3) ADDRESSING STATES' HEALTH CARE WORKFORCE NEEDS (4) PUBLIC HEALTH, INCLUDING MATERNAL AND CHILD HEALTH AND OPIOID ADDICTION (5) HEALTH CARE DATA AND ANALYTICS AND (6) BEHAVIORAL HEALTH AND SOCIAL DETERMINANTS OF HEALTH, INCLUDING STRATEGIES TO IMPROVE THE HEALTH OF HIGH COST PATIENTS AND REDUCE THE COST OF CARING FOR THEM SPECIFIC ACCOMPLISHMENTS INCLUDED TECHNICAL ASSISTANCE, PROJECTS AND RETREATS -HEALTH CARE WORKFORCE PLANNING - STATEWIDE MATERNAL AND CHILD HEALTH IMPROVEMENT -STATE INNOVATION MODEL INITIATIVE -STATE TRANSFORMATION RETREATS (WITH THE INSTITUTE OF MEDICINE) -MAINTAINING THE MEDICAID MANAGED CARE COMPENDIUM -ALTERNATIVE FINANCING FOR HEALTH AND HUMAN SERVICES PROGRAMS -ASSISTING GOVERNORS IN LEVERAGING DATA TO BUILD A STATEWIDE HEALTH CARE TRANSFORMATION PROPOSAL -LEARNING NETWORK ON IMPROVING BIRTH OUTCOMES -LEARNING LAB ON SUBSTANCE USE PREVENTION AND TREATMENT POLICY ACADEMIES - FACILITATING GLOBAL, MEDICAID TRANSFORMATION BY STATES -IMPLEMENTING WORKFORCE STRATEGIES -REDUCING PRESCRIPTION DRUG ABUSE -DEVELOPING STATE-LEVEL CAPACITY TO SUPPORT MEDICAID SUPER-UTILIZERS CONVENINGS -GUBERNATORIAL HEALTH POLICY ADVISORS INSTITUTE -STATE INNOVATION MODEL (SIM) TESTING STATES CONVENINGS -SIM CONVENING OF ROUND 1 AND ROUND 2 STATES -EXPERTS ROUNDTABLE ABOUT HEALTH INSURANCE EXCHANGES AND SECTION 1332 STATE INNOVATION WAIVERS -NATIONAL MEETING ON THE ROLE OF STATES IN TRANSFORMING HEALTH CARE -POPULATION HEALTH EXPERTS ROUNDTABLE -EXPERTS ROUNDTABLE ON STRATEGIES FOR GOVERNORS TO MANAGE THE INTRODUCTION OF NEW, BLOCKBUSTER DRUGS A CASE STUDY OF NEW HEPATITIS C TREATMENTS -EXPERTS ROUNDTABLE ON MCO CONTRACTING FOR COMPLEX CARE PROGRAMS -EXPERTS ROUNDTABLE ON BEHAVIORAL HEALTH INTEGRATION FOR COMPLEX CARE PROGRAMS -EXPERTS ROUNDTABLE ON DELIVERY AND PAYMENT REFORMS FOR COMPLEX CARE PROGRAMS -MEDICAID TRANSFORMATION POLICY ACADEMY CONVENING PUBLICATIONS -AN OPPORTUNITY FOR STATES TO FUND COMMUNITY-BASED PREVENTION PROGRAMS -THE ROLE OF PHYSICIAN ASSISTANTS IN HEALTH CARE DELIVERY -THE EXPANDING ROLE OF PHARMACISTS IN A TRANSFORMED HEALTH CARE SYSTEM -2014 MATERNAL AND CHILD HEALTH UPDATE STATES ARE USING MEDICAID AND CHIP TO IMPROVE HEALTH OUTCOMES FOR MOTHERS AND CHILDREN - HEALTH INVESTMENTS THAT PAY OFF STRATEGIES FOR ADDRESSING ASTHMA IN CHILDREN -NEW HEPATITIS C TREATMENTS CONSIDERATIONS AND POTENTIAL STRATEGIES FOR STATES -CONTENT -ALTERNATIVE APPROACHES TO MEDICAID EXPANSION -STATE EFFORTS TO COLLECT AND SHARE DATA -DESIGNING AND IMPLEMENTING MEDICAID SECTION 1115 DELIVERY SYSTEM -STATE STRATEGIES FOR LEVERAGING PURCHASING POWER -STATE STRATEGIES FOR ADDRESSING THE BEHAVIORAL HEALTH NEEDS ENVIRONMENT, ENERGY AND TRANSPORTATION DIVISION DURING 2015, THE ENVIRONMENT, ENERGY AND TRANSPORTATION DIVISION PROVIDED INFORMATION, RESEARCH, POLICY ANALYSIS AND TECHNICAL ASSISTANCE TO STATES ON KEY ISSUES RELEVANT TO GOVERNORS AND THEIR SENIOR STAFFS IN THE AREAS OF POLICY TO SUPPORT EXAMINING STATE STRATEGIES IN RESPONSE TO NEW FEDERAL POWER SECTOR GREENHOUSE GAS RULES, MORE EFFICIENT USE OF ENERGY BY BOTH THE PUBLIC AND PRIVATE SECTORS, THE CHALLENGES PRESENTED TO THE TRADITIONAL ELECTRIC UTILITY BY INCREASINGLY EFFICIENT USE OF ENERGY AND THE GENERATION OF ELECTRICITY ON CONSUMER PREMISES, THE RESILIENCY OF ELECTRICAL GRID, RESPONSIBLE EXTRACTION OF OIL AND GAS FROM SHALE FORMATIONS, POLICIES SUPPORTING INCREASED USE OF ALTERNATIVE FUEL VEHICLES, AND THE ROLE PUBLIC PRIVATE PARTNERSHIPS MIGHT PLAY IN THE PROVISION OF INFRASTRUCTURE AND PUBLIC FACILITIES SPECIFIC ACCOMPLISHMENTS INCLUDED TECHNICAL ASSISTANCE OPPORTUNITIES AND PROJECTS -POLICY ACADEMY ON HELPING STATES EXAMINE FEDERAL GREENHOUSE GAS RULES THREE SETS OF SITE VISITS FOR TEAMS FROM FOUR STATES TWO WORKSHOPS INCLUDING OBSERVER STATES -LEARNING LAB ON STATE COORDINATION AROUND ENERGY ASSURANCE - LEARNING LAB ON NEW UTILITY BUSINESS MODELS -STATE RETREATS ON PUBLIC PRIVATE PARTNERSHIPS -STATE RETREATS ON NEW UTILITY BUSINESS MODELS CONVENINGS -GOVERNORS' ENERGY ADVISORS POLICY INSTITUTE -EXPERTS ROUNDTABLE ON EXTREME GRID OUTAGE EVENTS -EXPERTS' ROUNDTABLE ON SHALE ENERGY & WATER PROTECTION - WORKSHOP ON NATURAL GAS VEHICLES -FEDERAL FACILITIES TASK FORCE ON CLEANUP OF NUCLEAR WEAPONS COMPLEX - INTERGOVERNMENTAL MEETING ON NUCLEAR WEAPONS COMPLEX PUBLICATIONS -STATE PRACTICES TO PROTECT DRINKING WATER RESOURCES WHILE DEVELOPING SHALE ENERGY -GOVERNORS' ROADMAP FOR IMPROVING THE ENERGY EFFICIENCY OF MULTIFAMILY BUILDINGS HOMELAND SECURITY AND PUBLIC SAFETY DIVISION DURING 2015, THE HOMELAND SECURITY AND PUBLIC SAFETY DIVISION PROVIDED INFORMATION, RESEARCH, POLICY ANALYSIS, TECHNICAL ASSISTANCE, AND GRANTS TO STATES ON KEY ISSUES RELEVANT TO GOVERNORS AND THEIR SENIOR STAFFS IN THE AREAS OF CRIMINAL JUSTICE REFORM, THE ROLE OF THE STATES IN CYBER SECURITY, PUBLIC HEALTH PREPAREDNESS, HOMELAND SECURITY, JUVENILE JUSTICE, PROLONGED FAILURES OF THE ELECTRICITY GRID, AND POLICIES TO ADDRESS THE PROBLEM OF OPIOID ABUSE AND ADDICTION SPECIFIC ACCOMPLISHMENTS INCLUDED TECHNICAL ASSISTANCE OPPORTUNITIES AND PROJECTS -IN-STATE WORKSHOP ENERGY ASSURANCE -PUBLIC SAFETY PERFORMANCE PROJECT RESOURCE CENTER FOR STATE CYBERSECURITY -NATIONAL SUMMIT ON STATE CYBERSECURITY PUBLIC HEALTH PREPAREDNESS RECIDIVISM REDUCTION PROJECT POLICY ACADEMIES -REDUCING PRESCRIPTION DRUG ABUSE -CROSS-BOUNDARY SENTENCING AND CORRECTIONS INFORMATION EXCHANGE POLICY ACADEMY -JUSTICE INFORMATION SHARING GENERAL CONVENINGS - GOVERNORS HOMELAND SECURITY ADVISORS COUNCIL MEETINGS (FALL 2014 AND WINTER 2015) -LEARNING LAB ON IMPROVING OUTCOMES FOR JUSTICE-INVOLVED YOUTH PUBLICATIONS -IMPROVING OUTCOMES FOR JUSTICE-INVOLVED YOUTH -GOVERNORS GUIDE TO MASS EVACUATIONS -THE CYBERSECURITY WORKFORCE STATES' NEEDS AND OPPORTUNITIES

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

**Public Charity Status and Public Support**

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

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**2014**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

**Name of the organization**  
NATIONAL GOVERNORS ASSOCIATION  
CENTER FOR BEST PRACTICES

**Employer identification number**  
23-7391796

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

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

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E )
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II )
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II )
- 8  A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 9  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III )
- 10  An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g
  - a  **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
  - b  **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
  - c  **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
  - d  **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
  - e  Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
  - f Enter the number of supported organizations . . . . . \_\_\_\_\_
  - g Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
<b>Total</b>						

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	12,989,640	10,291,095	13,478,170	15,320,542	20,292,399	72,371,846
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add lines 1 through 3	12,989,640	10,291,095	13,478,170	15,320,542	20,292,399	72,371,846
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						4,490,945
<b>6 Public support.</b> Subtract line 5 from line 4						67,880,901

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>7</b> Amounts from line 4	12,989,640	10,291,095	13,478,170	15,320,542	20,292,399	72,371,846
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	421,176	444,543	420,018	416,623	470,239	2,172,599
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI )	172,036	9,785	271,130	180,831	140,611	774,393
<b>11 Total support</b> Add lines 7 through 10						75,318,838
<b>12</b> Gross receipts from related activities, etc (see instructions)					<b>12</b>	2,839,417
<b>13 First five years.</b> 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 <b>stop here</b> . . . . . <input type="checkbox"/>						

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

<b>14</b> Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))	<b>14</b>	90 120 %
<b>15</b> Public support percentage for 2013 Schedule A, Part II, line 14	<b>15</b>	91 120 %
<b>16a 33 1/3% support test—2014.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>		
<b>b 33 1/3% support test—2013.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>17a 10%-facts-and-circumstances test—2014.</b> 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 <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>b 10%-facts-and-circumstances test—2013.</b> 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 <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization <input type="checkbox"/>		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support</b> (Subtract line 7c from line 6)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						
<b>14 First five years.</b> 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 <b>stop here</b> ▶						

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

<b>15</b> Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	
<b>16</b> Public support percentage from 2013 Schedule A, Part III, line 15	<b>16</b>	

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

<b>17</b> Investment income percentage for <b>2014</b> (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	
<b>18</b> Investment income percentage from <b>2013</b> Schedule A, Part III, line 17	<b>18</b>	

- 19a 33 1/3% support tests—2014.** 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—2013.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ▶
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶

**Part IV Supporting Organizations**

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
<b>2</b> Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
<b>b</b> Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in <b>Part VI</b> when and how the organization made the determination.		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in <b>Part VI</b> what controls the organization put in place to ensure such use.		
<b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.		
<b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
<b>c</b> Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
<b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		
<b>b Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations, (b) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in <b>Part VI</b> .		
<b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990).		
<b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part II of Schedule L (Form 990).		
<b>9a</b> Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in <b>Part VI</b> .		
<b>b</b> Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in <b>Part VI</b> .		
<b>c</b> Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in <b>Part VI</b> .		
<b>10a</b> Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer b below.		
<b>b</b> Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).		
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
<b>b</b> A family member of a person described in (a) above?		
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.		

**Part IV Supporting Organizations** (continued)**Section B. Type I Supporting Organizations**

- 1** Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? *If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.*
- 2** Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.*

	Yes	No
<b>1</b>		
<b>2</b>		

**Section C. Type II Supporting Organizations**

- 1** Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? *If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).*

	Yes	No
<b>1</b>		

**Section D. All Type III Supporting Organizations**

- 1** Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?
- 2** Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? *If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).*
- 3** By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? *If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.*

	Yes	No
<b>1</b>		
<b>2</b>		
<b>3</b>		

**Section E. Type III Functionally-Integrated Supporting Organizations**

- 1** Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (**see instructions**)
- a**  The organization satisfied the Activities Test. Complete **line 2** below.
- b**  The organization is the parent of each of its supported organizations. Complete **line 3** below.
- c**  The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).

**2** Activities Test **Answer (a) and (b) below.**

- a** Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.*
- b** Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.*

**3** Parent of Supported Organizations **Answer (a) and (b) below.**

- a** Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *Provide details in Part VI.*
- b** Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? *If "Yes," describe in Part VI the role played by the organization in this regard.*

	Yes	No
<b>2a</b>		
<b>2b</b>		
<b>3a</b>		
<b>3b</b>		

**Part V – Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov 20, 1970. **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

**Section A - Adjusted Net Income**

	(A) Prior Year	(B) Current Year (optional)
<b>1</b> Net short-term capital gain	<b>1</b>	
<b>2</b> Recoveries of prior-year distributions	<b>2</b>	
<b>3</b> Other gross income (see instructions)	<b>3</b>	
<b>4</b> Add lines 1 through 3	<b>4</b>	
<b>5</b> Depreciation and depletion	<b>5</b>	
<b>6</b> Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	<b>6</b>	
<b>7</b> Other expenses (see instructions)	<b>7</b>	
<b>8</b> <b>Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)	<b>8</b>	

**Section B - Minimum Asset Amount**

	(A) Prior Year	(B) Current Year (optional)
<b>1</b> Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	<b>1</b>	
<b>a</b> Average monthly value of securities	<b>1a</b>	
<b>b</b> Average monthly cash balances	<b>1b</b>	
<b>c</b> Fair market value of other non-exempt-use assets	<b>1c</b>	
<b>d</b> <b>Total</b> (add lines 1a, 1b, and 1c)	<b>1d</b>	
<b>e</b> <b>Discount</b> claimed for blockage or other factors (explain in detail in Part VI) _____		
<b>2</b> Acquisition indebtedness applicable to non-exempt use assets	<b>2</b>	
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	
<b>4</b> Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	
<b>5</b> Net value of non-exempt-use assets (subtract line 4 from line 3)	<b>5</b>	
<b>6</b> Multiply line 5 by .035	<b>6</b>	
<b>7</b> Recoveries of prior-year distributions	<b>7</b>	
<b>8</b> <b>Minimum Asset Amount</b> (add line 7 to line 6)	<b>8</b>	

**Section C - Distributable Amount**

		Current Year
<b>1</b> Adjusted net income for prior year (from Section A, line 8, Column A)	<b>1</b>	
<b>2</b> Enter 85% of line 1	<b>2</b>	
<b>3</b> Minimum asset amount for prior year (from Section B, line 8, Column A)	<b>3</b>	
<b>4</b> Enter greater of line 2 or line 3	<b>4</b>	
<b>5</b> Income tax imposed in prior year	<b>5</b>	
<b>6</b> <b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	<b>6</b>	
<b>7</b> <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

<b>Section D - Distributions</b>	<b>Current Year</b>
<b>1</b> Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b> Amounts paid to acquire exempt-use assets	
<b>5</b> Qualified set-aside amounts (prior IRS approval required)	
<b>6</b> Other distributions (describe in Part VI) See instructions	
<b>7 Total annual distributions.</b> Add lines 1 through 6	
<b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
<b>9</b> Distributable amount for 2014 from Section C, line 6	
<b>10</b> Line 8 amount divided by Line 9 amount	

<b>Section E - Distribution Allocations (see instructions)</b>	<b>(i) Excess Distributions</b>	<b>(ii) Underdistributions Pre-2014</b>	<b>(iii) Distributable Amount for 2014</b>
<b>1</b> Distributable amount for 2014 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2014 (reasonable cause required--see instructions)			
<b>3</b> Excess distributions carryover, if any, to 2014			
<b>a</b> From 2009. . . . . _____			
<b>b</b> From 2010. . . . . _____			
<b>c</b> From 2011. . . . . _____			
<b>d</b> From 2012. . . . . _____			
<b>e</b> From 2013. . . . . _____			
<b>f Total</b> of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2014 distributable amount			
<b>i</b> Carryover from 2009 not applied (see instructions)			
<b>j</b> Remainder Subtract lines 3g, 3h, and 3i from 3f			
<b>4</b> Distributions for 2014 from Section D, line 7 \$ _____			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2014 distributable amount			
<b>c</b> Remainder Subtract lines 4a and 4b from 4			
<b>5</b> Remaining underdistributions for years prior to 2014, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
<b>6</b> Remaining underdistributions for 2014 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
<b>7 Excess distributions carryover to 2015.</b> Add lines 3j and 4c			
<b>8</b> Breakdown of line 7			
<b>a</b> From 2010. . . . . _____			
<b>b</b> From 2011. . . . . _____			
<b>c</b> From 2012. . . . . _____			
<b>d</b> From 2013. . . . . _____			
<b>e</b> From 2014. . . . . _____			

**Part VI Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

**Facts And Circumstances Test**

Return Reference	Explanation
PART II, LINE 10	774,393
SUPPLEMENTAL INFORMATION	GENERAL EXPLANATION PART II LINE 10 FOR THE FIVE YEAR PERIOD, MISCELLANEOUS INCOME TOTALS 60,787 ADMINISTRATIVE SERVICES FEES TOTALS 658,205 AND REIMBURSED PROGRAM EXPENSES TOTALS 55,401

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2014

Open to Public Inspection

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

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury Internal Revenue Service

Name of the organization NATIONAL GOVERNORS ASSOCIATION CENTER FOR BEST PRACTICES

Employer identification number

23-7391796

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors...?, 6 Did the organization inform all grantees...?

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

Table with 2 columns: Description, Held at the End of the Year. Rows include: 1 Purpose(s) of conservation easements, 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution..., 3 Number of conservation easements modified..., 4 Number of states where property subject to conservation easement is located..., 5 Does the organization have a written policy..., 6 Staff and volunteer hours..., 7 Amount of expenses incurred..., 8 Does each conservation easement reported on line 2(d) above satisfy..., 9 In Part XIII, describe how the organization reports...

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.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report..., 1b If the organization elected, as permitted under SFAS 116 (ASC 958), to report..., 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain...

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

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

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

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

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

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

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

**b** If "Yes," explain the arrangement in Part XIII and complete the following table

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

**2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance . . . . .	14,293,395	12,201,188	11,535,463	11,639,841	9,375,140
<b>b</b> Contributions . . . . .		-380	-587	1,466	254,805
<b>c</b> Net investment earnings, gains, and losses	676,446	2,155,221	1,213,070	-46,656	2,065,209
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .			470,600		
<b>f</b> Administrative expenses . . . . .	78,851	62,634	76,158	59,188	55,313
<b>g</b> End of year balance . . . . .	14,890,990	14,293,395	12,201,188	11,535,463	11,639,841

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

- a** Board designated or quasi-endowment  100.000 %
  - b** Permanent endowment
  - c** Temporarily restricted endowment
- The percentages in lines 2a, 2b, and 2c should equal 100%

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

	Yes	No
<b>(i)</b> unrelated organizations . . . . .	<b>3a(i)</b>	No
<b>(ii)</b> related organizations . . . . .	<b>3a(ii)</b>	No

**b** If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? **3b**

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

**Part VI Land, Buildings, and Equipment.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (Investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land . . . . .				
<b>b</b> Buildings . . . . .				
<b>c</b> Leasehold improvements . . . . .				
<b>d</b> Equipment . . . . .				
<b>e</b> Other . . . . .				

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



**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .		<b>1</b>	21,503,351
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
<b>a</b>	Net unrealized gains (losses) on investments . . . . .	<b>2a</b>	-242,999	
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>		
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIII ) . . . . .	<b>2d</b>		
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .		<b>2e</b>	-242,999
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .		<b>3</b>	21,746,350
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line <b>1</b>			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	78,851	
<b>b</b>	Other (Describe in Part XIII ) . . . . .	<b>4b</b>		
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .		<b>4c</b>	78,851
<b>5</b>	Total revenue Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12 ) . . . . .		<b>5</b>	21,825,201

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

<b>1</b>	Total expenses and losses per audited financial statements . . . . .		<b>1</b>	15,658,431
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25			
<b>a</b>	Donated services and use of facilities . . . . .	<b>2a</b>		
<b>b</b>	Prior year adjustments . . . . .	<b>2b</b>		
<b>c</b>	Other losses . . . . .	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIII ) . . . . .	<b>2d</b>		
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .		<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .		<b>3</b>	15,658,431
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line <b>1</b> :			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	78,851	
<b>b</b>	Other (Describe in Part XIII ) . . . . .	<b>4b</b>		
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .		<b>4c</b>	78,851
<b>5</b>	Total expenses Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18 ) . . . . .		<b>5</b>	15,737,282

**Part XIII Supplemental Information**

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

Return Reference	Explanation
SCHEDULE D, PAGE 3, PART X	MANAGEMENT EVALUATED NGA CENTER'S TAX POSITIONS AND CONCLUDED THAT NGA CENTER HAD TAKEN NO UNCERTAIN TAX POSITIONS THAT REQUIRE ADJUSTMENT TO THE FINANCIAL STATEMENTS TO COMPLY WITH THE PROVISIONS OF THE GUIDANCE ON ACCOUNTING FOR UNCERTAINTY WITH INCOME TAXES GENERALLY, NGA CENTER IS NO LONGER SUBJECT TO INCOME EXAMINATIONS BY THE U S FEDERAL, STATE, OR LOCAL AUTHORITIES FOR YEARS BEFORE 2012



**Schedule J**  
(Form 990)

**Compensation Information**

OMB No 1545-0047

**2014**

**Open to Public Inspection**

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

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

▶ **Attach to Form 990.**

▶ **Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
NATIONAL GOVERNORS ASSOCIATION  
CENTER FOR BEST PRACTICES

Employer identification number

23-7391796

**Part I Questions Regarding Compensation**

- 1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.
- |   |  |
|---|--|
| <input type="checkbox"/> First-class or charter travel            | <input 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 idemnification 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 any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

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

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

- |  |   |
|--|---|
| <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 type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization

- a** Receive a severance payment or change-of-control payment?
- 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 lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only 501(c)(3), 501(c)(4), and 501(c)(29) 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?
- 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 persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

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

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

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

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column(B) reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table							

**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II

Also complete this part for any additional information

Return Reference	Explanation
SCHEDULE J, PART III	SCHEDULE J PART II - THE ORGANIZATION ENGAGES IN A COMMON PAYMASTER RELATIONSHIP DEFINED IN REGULATIONS SECTION 31.3121(S)-1(B) NATIONAL GOVERNORS ASSOCIATION, A RELATED ORGANIZATION, IS THE COMMON PAYMASTER

# Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 23-7391796  
**Name:** NATIONAL GOVERNORS ASSOCIATION  
 CENTER FOR BEST PRACTICES

## Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
DAN CRIPPEN, EXEC DIRECTOR/CEO	(i) (ii)	297,968				36,260	334,228	
BARRY ANDERSON, DEPUTY DIRECTOR	(i) (ii)	276,769				28,520	305,289	
WILLIAM J GAINER, DIR OF ADMN AND FIN	(i) (ii)	177,107				18,429	195,536	
FREDERICK ISASI, DIVISION DIRECTOR	(i) (ii)	217,964				21,423	239,387	
RICHARD LAINE, DIVISION DIRECTOR	(i) (ii)	209,857				21,156	231,013	
DAVID MOORE, DIRECTOR NGA CENTER	(i) (ii)	208,467				21,156	229,623	
ELLIOT SCHWARTZ, DEPUTY DIRECTOR CTR	(i) (ii)	181,593				7,826	189,419	
SUSAN GANDER, DIVISION DIRECTOR	(i) (ii)	161,359				34,163	195,522	
KEVIN SILARD, CORP FELLOWS DIR	(i) (ii)	158,584				28,471	187,055	
MARTIN SIMON, PROGRAM DIRECTOR	(i) (ii)	149,459				26,574	176,033	
THOMAS MACLELLAN, DIVISION DIRECTOR	(i) (ii)	139,279				13,887	153,166	

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

Department of the Treasury  
Internal Revenue Service

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

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

**▶ Attach to Form 990 or 990-EZ.**

**▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

OMB No 1545-0047

**2014**

**Open to Public Inspection**

Name of the organization  
NATIONAL GOVERNORS ASSOCIATION  
CENTER FOR BEST PRACTICES

**Employer identification number**

23-7391796

Return Reference	Explanation
FORM 990, PAGE 2, PART III, LINE 4A	<p>-COLLEGE AND CAREER-TRAINING READY STANDARDS AND ASSESSMENTS, INCLUDING COMMON CORE STATE STANDARDS, SCIENCE, TECHNOLOGY, ENGINEERING AND MATH (STEM), -COMPETENCY-BASED LEARNING AND CHARTER SCHOOLS, -POSTSECONDARY (HIGHER EDUCATION AND CAREER TRAINING) PRODUCTIVITY, ACCOUNTABILITY, ACCESS, SUCCESS, AND AFFORDABILITY, AND -FINANCE, DATA, AND ACCOUNTABILITY (INCLUDING EFFICIENCY, EFFECTIVENESS, AND UNDERFUNDED LIABILITIES) THE DIVISION ALSO WORKED ON POLICY ISSUES RELATED TO BRIDGING THE SYSTEM DIVIDES AMONG THE EARLY CHILDHOOD, K-12, POSTSECONDARY, AND WORKFORCE DEVELOPMENT SYSTEMS DIVISION STAFF HAVE STRONG EXPERTISE AND EXPERIENCE AND ARE DEDICATED TO HELPING GOVERNORS IMPROVE THEIR STATES' PUBLIC EDUCATION SYSTEM SPECIFIC ACCOMPLISHMENTS INCLUDED TECHNICAL ASSISTANCE PROJECTS FOCUSED ON THE FOLLOWING TOPICS -EARLY LITERACY SELF-ASSESSMENT TOOL &amp; TECHNICAL ASSISTANCE TO STATES -EARLY MATH TARGETED POLICY PROJECT -SOCIAL &amp; INTELLECTUAL HABITS TARGETED POLICY PROJECT -PRINCIPAL PIPELINE TECHNICAL ASSISTANCE -TEACHER &amp; PRINCIPAL PREPARATION TECHNICAL ASSISTANCE -ADVISING ON COLLEGE AND CAREER-TRAINING READY STANDARDS AND RELATED ASSESSMENTS -CHARTER SCHOOL POLICY CONSULTING - POSTSECONDARY METRICS ON EFFICIENCY &amp; EFFECTIVENESS -PIPELINE INTERACTIVE VISUALIZATION TOOL (PIVOT) &amp; FACILITATED POLICY DISCUSSIONS ON HOW BEST TO USE THE DATA TO DEVELOP, PRIORITIZE, &amp; SUPPORT THE IMPLEMENTATION OF GOOD POLICY POLICY ACADEMIES ON THE FOLLOWING TOPICS -COMPREHENSIVE EARLY CARE &amp; EDUCATION POLICY ACADEMY -TALENT PIPELINE POLICY ACADEMY -IMPROVING STUDENT LEARNING AT SCALE POLICY ACADEMY -COMPETENCY-BASED EDUCATION POLICY ACADEMY -K-12 BROADBAND &amp; DIGITAL LEARNING POLICY ACADEMY CONVENINGS -WASHINGTON STATE "ONE SCIENCE" LEARNING LAB MEETING -TALENT PIPELINE POLICY ACADEMY CROSS-STATE MEETING -GOVERNORS' EDUCATION POLICY ADVISORS INSTITUTE PUBLICATIONS -ISSUE BRIEF - PRINCIPALS ROLE IN IMPLEMENTING COLLEGE &amp; CAREER-TRAINING READY STANDARDS -ISSUE BRIEF - K-12 AND POSTSECONDARY COMPETENCY-BASED EDUCATION -ISSUE BRIEF - CONNECTING EDUCATION AND LABOR MARKET DATA TO IMPROVE OUTCOMES</p>

Return Reference	Explanation
FORM 990, PAGE 2, PART III, LINE 4B	<p>FAMILY AND COMMUNITY POVERTY, THE USE OF DATA AND EVIDENCE IN POLICY MAKING, AND DEVELOPING POLICIES THAT RECOGNIZE THE IN-SERVICE EXPERIENCE OF MILITARY VETERANS IN STATE PROCESS THAT PROVIDE PROFESSIONAL LICENSES AND WORKFORCE CERTIFICATES STAFF FROM THE EHSW DIVISION ALSO SPEARHEADED TWO NGA CENTER-WIDE INITIATIVES SPECIFIC ACCOMPLISHMENTS INCLUDED -SPEARHEADING THE 2015 NGA CHAIR'S INITIATIVE, "DELIVERING RESULTS" -SPEARHEADING THE EVIDENCE-BASED POLICY INITIATIVE (ALL-STATE CONVENING, LEARNING LAB FOR SELECTED STATES, INFUSION OF EVALUATION-RELATED TA INTO CROSS- CENTER PROJECTS) -CONVENED AN EXPERT ROUNDTABLE ON INTEGRATED DATA SYSTEMS -DELIVERED A VARIETY OF FOCUSED PROJECTS AND TECHNICAL ASSISTANCE ACROSS THE DIVISION'S THREE PROGRAM AREAS ECONOMIC DEVELOPMENT -CONDUCTED A GOVERNORS' ECONOMIC DEVELOPMENT POLICY ADVISORS INSTITUTE -SUPPORTED GOVERNORS' ECONOMIC DEVELOPMENT POLICY ADVISORS THROUGH INFORMATION SHARING, RESEARCH AND TECHNICAL ASSISTANCE HUMAN SERVICES INITIATIVES AND TECHNICAL ASSISTANCE -SUPPORTED GOVERNORS' HUMAN SERVICES ADVISORS WITH INFORMATION, RESEARCH, PEER-SHARING OPPORTUNITIES, AND COLLABORATING WITH NATIONAL HUMAN SERVICES PARTNERS -PROVIDED TECHNICAL ASSISTANCE TO SELECTED STATES RECEIVING SOCIAL INNOVATION FUND GRANTS TO DEVELOP PAY-FOR-SUCCESS PROJECTS -CONDUCTED THE 2015 POLICY INSTITUTE FOR GOVERNORS' HUMAN SERVICES ADVISORS -PRODUCED AND DISSEMINATED AN ISSUE BRIEF AROUND TWO-GENERATION STATE POLICY -LAUNCHED TWO-GENERATION STATE POLICY LEARNING AND ACTION NETWORK -CONVENED AN EXPERT ROUNDTABLE ON COMMUNITY-BASED ALTERNATIVES FOR JUSTICE-INVOLVED YOUTH (WITH HSPTS DIVISION) -SOCIAL DETERMINANTS OF HEALTH (WITH HEALTH DIVISION) -FOSTER YOUTH PROMOTING SUCCESS BEYOND AGE 18 -REDUCING CHILDHOOD HUNGER -CONVENED AN EXPERT ROUNDTABLE ON PLACE-BASED APPROACHES TO ADDRESSING POVERTY POLICY ACADEMIES -VETERANS' LICENSING AND CERTIFICATION - THE ALIGNMENT OF EDUCATION, WORKFORCE AND ECONOMIC DEVELOPMENT (JOINTLY WITH EDUCATION DIVISION) - HEALTH WORKFORCE POLICY ACADEMY (PROVIDING STAFF SUPPORT TO HEALTH DIVISION) -POLICY ACADEMY ON STATE STRATEGIES TO SCALE HIGH-QUALITY WORK-BASED LEARNING -POLICY ACADEMY ON SCALING WORK-BASED LEARNING GENERAL MEETINGS -POLICY INSTITUTE FOR GOVERNORS' HUMAN SERVICES ADVISORS -POLICY INSTITUTE FOR GOVERNORS' ECONOMIC DEVELOPMENT POLICY ADVISORS -WINTER AND SUMMER MEETINGS OF STATE WORKFORCE BOARD CHAIRS -WINTER AND SUMMER MEETINGS OF STATE LIAISONS FOR WORKFORCE DEVELOPMENT PARTNERSHIPS - DELIVERING RESULTS SUMMIT -INNOVATIONS IN THE USE OF DATA AND EVIDENCE IN POLICY MAKING PUBLICATIONS - TACKLING INTERGENERATIONAL POVERTY HOW GOVERNORS CAN ADVANCE COORDINATED SERVICES FOR LOW-INCOME PARENTS AND CHILDREN -VETERANS' LICENSING AND CERTIFICATION DEMONSTRATION A SUMMARY OF STATES EXPERIENCES, PRELIMINARY FINDINGS AND COST ESTIMATES (PUBLISHED BY THE U S DEPARTMENT OF LABOR -REVISITING TOP TRENDS IN STATE ECONOMIC DEVELOPMENT -DELIVERING RESULTS TOOLKIT -DELIVERING RESULTS CORE PRINCIPLES - DELIVERING RESULTS FINDING AND BUILDING EFFECTIVE STATE LEADERS -DELIVERING RESULTS CREATING AND REFINING RESULTS-ORIENTED REGULATIONS -DELIVERING RESULTS DATA-DRIVEN APPROACHES TO DELIVERING BETTER OUTCOMES</p>

Return Reference	Explanation
FORM 990, PAGE 2, PART III, LINE 4C	IMPLEMENTATION OF WIOA -FACILITATED A SERIES OF LEARNING EXCHANGES ON STATE INDUSTRY SECTOR PARTNERSHIPS -CONDUCTED A TALENT PIPELINE POLICY ACADEMY FOR 14 STATES, JOINTLY WITH THE EDUCATION DIVISION -ONGOING TECHNICAL ASSISTANCE FOR GOVERNORS' WORKFORCE POLICY ADVISORS AND STATE WORKFORCE OFFICIALS, AND WORKING WITH FEDERAL AGENCIES AND NATIONAL WORKFORCE PARTNERS

Return Reference	Explanation	
FORM 990, PAGE 2, PART III, LINE 4D		<p>HEALTH DIVISION DURING FY 2015, THE HEALTH DIVISION PROVIDED INFORMATION, RESEARCH, POLICY ANALYSIS, AND TECHNICAL ASSISTANCE, TO STATES ON KEY ISSUES RELEVANT TO GOVERNORS AND THEIR SENIOR STAFFS IN THE SIX CORE FOCUS AREAS OF (1) HEALTH SYSTEMS TRANSFORMATION (2) INNOVATION IN THE DELIVERY AND FINANCING OF MEDICAID SERVICES AND INNOVATIONS IN PRIVATE HEALTH INSURANCE COVERAGE (3) ADDRESSING STATES' HEALTH CARE WORKFORCE NEEDS (4) PUBLIC HEALTH, INCLUDING MATERNAL AND CHILD HEALTH AND OPIOID ADDICTION (5) HEALTH CARE DATA AND ANALYTICS AND (6) BEHAVIORAL HEALTH AND SOCIAL DETERMINANTS OF HEALTH, INCLUDING STRATEGIES TO IMPROVE THE HEALTH OF HIGH COST PATIENTS AND REDUCE THE COST OF CARING FOR THEM. SPECIFIC ACCOMPLISHMENTS INCLUDED TECHNICAL ASSISTANCE, PROJECTS AND RETREATS -HEALTH CARE WORKFORCE PLANNING -STATEWIDE MATERNAL AND CHILD HEALTH IMPROVEMENT -STATE INNOVATION MODEL INITIATIVE -STATE TRANSFORMATION RETREATS (WITH THE INSTITUTE OF MEDICINE) -MAINTAINING THE MEDICAID MANAGED CARE COMPENDIUM -ALTERNATIVE FINANCING FOR HEALTH AND HUMAN SERVICES PROGRAMS -ASSISTING GOVERNORS IN LEVERAGING DATA TO BUILD A STATEWIDE HEALTH CARE TRANSFORMATION PROPOSAL -LEARNING NETWORK ON IMPROVING BIRTH OUTCOMES -LEARNING LAB ON SUBSTANCE USE PREVENTION AND TREATMENT POLICY ACADEMIES -FACILITATING GLOBAL, MEDICAID TRANSFORMATION BY STATES -IMPLEMENTING WORKFORCE STRATEGIES -REDUCING PRESCRIPTION DRUG ABUSE -DEVELOPING STATE-LEVEL CAPACITY TO SUPPORT MEDICAID SUPER-UTILIZERS CONVENINGS -GUBERNATORIAL HEALTH POLICY ADVISORS INSTITUTE -STATE INNOVATION MODEL (SIM) TESTING STATES CONVENINGS -SIM CONVENING OF ROUND 1 AND ROUND 2 STATES -EXPERTS ROUNDTABLE ABOUT HEALTH INSURANCE EXCHANGES AND SECTION 1332 STATE INNOVATION WAIVERS -NATIONAL MEETING ON THE ROLE OF STATES IN TRANSFORMING HEALTH CARE -POPULATION HEALTH EXPERTS ROUNDTABLE -EXPERTS ROUNDTABLE ON STRATEGIES FOR GOVERNORS TO MANAGE THE INTRODUCTION OF NEW, BLOCKBUSTER DRUGS A CASE STUDY OF NEW HEPATITIS C TREATMENTS -EXPERTS ROUNDTABLE ON MCO CONTRACTING FOR COMPLEX CARE PROGRAMS -EXPERTS ROUNDTABLE ON BEHAVIORAL HEALTH INTEGRATION FOR COMPLEX CARE PROGRAMS -EXPERTS ROUNDTABLE ON DELIVERY AND PAYMENT REFORMS FOR COMPLEX CARE PROGRAMS -MEDICAID TRANSFORMATION POLICY ACADEMY CONVENING PUBLICATIONS -AN OPPORTUNITY FOR STATES TO FUND COMMUNITY-BASED PREVENTION PROGRAMS -THE ROLE OF PHYSICIAN ASSISTANTS IN HEALTH CARE DELIVERY -THE EXPANDING ROLE OF PHARMACISTS IN A TRANSFORMED HEALTH CARE SYSTEM -2014 MATERNAL AND CHILD HEALTH UPDATE STATES ARE USING MEDICAID AND CHIP TO IMPROVE HEALTH OUTCOMES FOR MOTHERS AND CHILDREN - HEALTH INVESTMENTS THAT PAY OFF STRATEGIES FOR ADDRESSING ASTHMA IN CHILDREN -NEW HEPATITIS C TREATMENTS CONSIDERATIONS AND POTENTIAL STRATEGIES FOR STATES -CONTENT -ALTERNATIVE APPROACHES TO MEDICAID EXPANSION -STATE EFFORTS TO COLLECT AND SHARE DATA -DESIGNING AND IMPLEMENTING MEDICAID SECTION 1115 DELIVERY SYSTEM -STATE STRATEGIES FOR LEVERAGING PURCHASING POWER -STATE STRATEGIES FOR ADDRESSING THE BEHAVIORAL HEALTH NEEDS ENVIRONMENT, ENERGY AND TRANSPORTATION DIVISION DURING 2015, THE ENVIRONMENT, ENERGY AND TRANSPORTATION DIVISION PROVIDED INFORMATION, RESEARCH, POLICY ANALYSIS AND TECHNICAL ASSISTANCE TO STATES ON KEY ISSUES RELEVANT TO GOVERNORS AND THEIR SENIOR STAFFS IN THE AREAS OF POLICY TO SUPPORT EXAMINING STATE STRATEGIES IN RESPONSE TO NEW FEDERAL POWER SECTOR GREENHOUSE GAS RULES, MORE EFFICIENT USE OF ENERGY BY BOTH THE PUBLIC AND PRIVATE SECTORS, THE CHALLENGES PRESENTED TO THE TRADITIONAL ELECTRIC UTILITY BY INCREASINGLY EFFICIENT USE OF ENERGY AND THE GENERATION OF ELECTRICITY ON CONSUMER PREMISES, THE RESILIENCY OF ELECTRICAL GRID, RESPONSIBLE EXTRACTION OF OIL AND GAS FROM SHALE FORMATIONS, POLICIES SUPPORTING INCREASED USE OF ALTERNATIVE FUEL VEHICLES, AND THE ROLE PUBLIC PRIVATE PARTNERSHIPS MIGHT PLAY IN THE PROVISION OF INFRASTRUCTURE AND PUBLIC FACILITIES. SPECIFIC ACCOMPLISHMENTS INCLUDED TECHNICAL ASSISTANCE OPPORTUNITIES AND PROJECTS -POLICY ACADEMY ON HELPING STATES EXAMINE FEDERAL GREENHOUSE GAS RULES THREE SETS OF SITE VISITS FOR TEAMS FROM FOUR STATES TWO WORKSHOPS INCLUDING OBSERVER STATES -LEARNING LAB ON STATE COORDINATION AROUND ENERGY ASSURANCE -LEARNING LAB ON NEW UTILITY BUSINESS MODELS -STATE RETREATS ON PUBLIC PRIVATE PARTNERSHIPS -STATE RETREATS ON NEW UTILITY BUSINESS MODELS CONVENINGS -GOVERNORS' ENERGY ADVISORS POLICY INSTITUTE -EXPERTS ROUNDTABLE ON EXTREME GRID OUTAGE EVENTS -EXPERTS' ROUNDTABLE ON SHALE ENERGY &amp; WATER PROTECTION -WORKSHOP ON NATURAL GAS VEHICLES -FEDERAL FACILITIES TASK FORCE ON CLEANUP OF NUCLEAR WEAPONS COMPLEX -INTERGOVERNMENTAL MEETING ON NUCLEAR WEAPONS COMPLEX PUBLICATIONS -STATE PRACTICES TO PROTECT DRINKING WATER RESOURCES WHILE DEVELOPING SHALE ENERGY -GOVERNORS' ROADMAP FOR IMPROVING THE ENERGY EFFICIENCY OF MULTIFAMILY BUILDINGS HOMELAND SECURITY AND PUBLIC SAFETY DIVISION DURING 2015, THE HOMELAND SECURITY AND PUBLIC SAFETY DIVISION PROVIDED INFORMATION, RESEARCH, POL</p>

Return Reference	Explanation	
FORM 990, PAGE 2, PART III, LINE 4D		<p>ICY ANALYSIS, TECHNICAL ASSISTANCE, AND GRANTS TO STATES ON KEY ISSUES RELEVANT TO GOVERNORS AND THEIR SENIOR STAFFS IN THE AREAS OF CRIMINAL JUSTICE REFORM, THE ROLE OF THE STATES IN CYBER SECURITY, PUBLIC HEALTH PREPAREDNESS, HOMELAND SECURITY, JUVENILE JUSTICE, PROLONGED FAILURES OF THE ELECTRICITY GRID, AND POLICIES TO ADDRESS THE PROBLEM OF OPIOID ABUSE AND ADDICTION. SPECIFIC ACCOMPLISHMENTS INCLUDED TECHNICAL ASSISTANCE OPPORTUNITIES AND PROJECTS -IN-STATE WORKSHOP ENERGY ASSURANCE -PUBLIC SAFETY PERFORMANCE PROJECT RESOURCE CENTER FOR STATE CYBERSECURITY -NATIONAL SUMMIT ON STATE CYBERSECURITY PUBLIC HEALTH PREPAREDNESS RECIDIVISM REDUCTION PROJECT POLICY ACADEMIES -REDUCING PRESCRIPTION DRUG ABUSE -CROSS-BOUNDARY SENTENCING AND CORRECTIONS INFORMATION EXCHANGE POLICY ACADEMY -JUSTICE INFORMATION SHARING GENERAL CONVENINGS -GOVERNORS HOMELAND SECURITY ADVISORS COUNCIL MEETINGS (FALL 2014 AND WINTER 2015) -LEARNING LAB ON IMPROVING OUTCOMES FOR JUSTICE-INVOLVED YOUTH PUBLICATIONS -IMPROVING OUTCOMES FOR JUSTICE-INVOLVED YOUTH -GOVERNORS GUIDE TO MASS EVACUATIONS -THE CYBERSECURITY WORKFORCE STATES' NEEDS AND OPPORTUNITIES</p>

Return Reference	Explanation
FORM 990, PART V	LINE 1A ALL VENDORS ARE PAID BY NATIONAL GOVERNORS ASSOCIATION (NGA), A RELATED ORGANIZATION THEREFORE, NATIONAL GOVERNORS ASSOCIATION CENTER FOR BEST PRACTICES DID NOT FILE A FORM 1096 FOR 2012 FORM 1096 WAS FILED BY NGA COVERING ALL VENDORS ENGAGED BY NGA AND NGA CENTER FOR BEST PRACTICES LINE 2A - NATIONAL GOVERNORS ASSOCIATION CENTER FOR BEST PRACTICES LEASES ALL ITS EMPLOYEES FROM NATIONAL GOVERNORS ASSOCIATION, A RELATED ORGANIZATION COMPENSATION IS ALLOCATED TO EACH ORGANIZATION BASED ON ACTUAL HOURS RECORDED CONTEMPORANEOUSLY ON BI-WEEKLY TIMESHEETS ALL EMPLOYEES ARE INCLUDED ON FORM W-3 "TRANSMITTAL OF WAGE AND TAX STATEMENTS" FILED BY NATIONAL GOVERNORS ASSOCIATION

**Return Reference****Explanation**FORM 990, PAGE 6, PART VI, LINE  
6THE GOVERNORS OF THE FIFTY STATES AND FIVE U.S. TERRITORIES ARE MEMBERS OF THE  
ORGANIZATION

**Return Reference****Explanation**

FORM 990, PAGE 6, PART VI, LINE 7B

AN AMENDMENT OF THE ARTICLES OF INCORPORATION REQUIRES APPROVAL BY THE MEMBERS

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 11B	THE IRS FORM 990 IS PREPARED BY THE CONTROLLER, REVIEWED BY SENIOR MEMBERS OF MANAGEMENT AND REVIEWED AND SIGNED BY THE EXECUTIVE DIRECTOR. THE IRS FORM 990 IS THEN AVAILABLE ON THE ORGANIZATION'S WEBSITE, ON THE GUIDESTAR WEBSITE AND UPON REQUEST. THIS PROCESS HAS BEEN APPROVED BY THE ORGANIZATION'S FINANCE COMMITTEE WHICH WAS APPOINTED BY THE BOARD OF DIRECTORS.

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 12C	EMPLOYEES MUST PROVIDE WRITTEN NOTIFICATION TO THE EXECUTIVE DIRECTOR OF A CONFLICT OF INTEREST OR POTENTIAL CONFLICT INTEREST AS SOON AS IT OCCURS. IN ADDITION, THE ORGANIZATION REQUIRES EMPLOYEES TO CERTIFY THAT THEY HAVE REVIEWED THE CONFLICT OF INTEREST POLICY ON AN ANNUAL BASIS. OFFICERS AND KEY EMPLOYEES (AS DEFINED BY THE IRS) MUST ANNUALLY DISCLOSE THEIR INTERESTS THAT COULD GIVE RISE TO CONFLICTS OF INTEREST, SUCH AS A LIST OF FAMILY MEMBERS, SUBSTANTIAL BUSINESS OR INVESTMENT HOLDINGS, AND OTHER TRANSACTIONS OR AFFILIATIONS WITH BUSINESSES AND OTHER ORGANIZATIONS OR THOSE OF FAMILY MEMBERS. OFFICERS AND EMPLOYEES FOUND TO BE IN VIOLATION OF CONFLICT OF INTEREST POLICY ARE SUBJECT TO DISCIPLINARY ACTION OR TERMINATION. FOR DIRECTORS OF THE CORPORATION, THE ORGANIZATION RELIES ON EACH GOVERNOR'S COMPLIANCE WITH STATE ETHICS LAWS TO AVOID CONFLICTS OF INTEREST AND MAKE ANY REQUIRED DISCLOSURES. ANY MEMBER OF THE ORGANIZATION MAY RAISE A POSSIBLE CONFLICT OF INTEREST WITH ANOTHER MEMBER AND ACT IN ACCORDANCE WITH THE ARTICLES AND BYLAWS OF THE ORGANIZATION TO TAKE ACTION.

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 15A	THE EXECUTIVE DIRECTOR RECEIVES A PERFORMANCE EVALUATION ANNUALLY FOR CONSIDERATION OF MERIT PAY INCREASE EFFECTIVE ON JANUARY 1 OF EACH CALENDAR YEAR. PERFORMANCE IS EVALUATED BY THE CURRENT NATIONAL GOVERNORS ASSOCIATION (NGA) CHAIR, CURRENT NGA VICE CHAIR AND THE IMMEDIATE PAST NGA CHAIR COLLECTIVELY. IN PREPARATION FOR THE PERFORMANCE EVALUATION, THE EXECUTIVE DIRECTOR PROVIDES A SELF-EVALUATION TO THE CURRENT NGA CHAIR AND AN EXTERNAL MARKET BENCHMARKING ANALYSIS THAT SHOWS SALARIES FOR COMPARABLE POSITIONS FOR THE OTHER BIG 7 PUBLIC INTEREST GROUPS AS WELL AS FOR OTHER NOT-FOR-PROFIT EXECUTIVES TAKEN FROM SEVERAL SALARY SURVEYS. THE CURRENT NGA CHAIR IS RESPONSIBLE FOR CONVENING THE PERFORMANCE DISCUSSION, WRITING THE PERFORMANCE EVALUATION AND COMMUNICATING THE PERFORMANCE FEEDBACK TO THE EXECUTIVE DIRECTOR. AT THE CONCLUSION OF THIS EVALUATION PROCESS, THE CURRENT NGA CHAIR WRITES A MEMO TO THE NGA CHIEF FINANCIAL AND ADMINISTRATIVE OFFICER OUTLINING THE SPECIFICS OF THE MERIT PAY INCREASE AND AUTHORIZING THE ACTION FOR PURPOSES OF PAYROLL PROCESSING.

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 17	MARYLAND, MAINE, MICHIGAN, MINNESOTA, MISSISSIPPI, NORTH CAROLINA, NORTH DAKOTA, NEW HAMPSHIRE, NEW JERSEY, NEW MEXICO, NEW YORK, OHIO, OKLAHOMA, OREGON, PENNSYLVANIA, RHODE ISLAND, SOUTH CAROLINA, TENNESSEE, UTAH, WASHINGTON, VIRGINIA, WISCONSIN

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 19	THE ORGANIZATION'S GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC ON THE ORGANIZATION'S WEBSITE. THE CONFLICT OF INTEREST POLICY IS DESCRIBED IN THE IRS FORM 990 WHICH IS AVAILABLE TO THE PUBLIC ON THE ORGANIZATION'S WEBSITE AND ON THE GUIDSTAR WEBSITE.

Return Reference	Explanation
FORM 990, PART IX, LINE 11G	CONSULTANTS, SUBGRANTS& OTHER 1,805,200 63,651 11,577

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2014**

**Open to Public  
Inspection**

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.  
▶ Attach to Form 990.
- ▶ Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

Name of the organization  
NATIONAL GOVERNORS ASSOCIATION  
CENTER FOR BEST PRACTICES

**Employer identification number**

23-7391796

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

**Part II Identification of Related Tax-Exempt Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) NATIONAL GOVERNORS ASSOCIATION 444 N CAPITOL STREET ST267  WASHINGTON, DC 20001 52-1020381	NON PROFIT	DC			N/A		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

**Part V Transactions With Related Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

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

**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, or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)

- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)

- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)

- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses

- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
<b>1a</b>		No
<b>1b</b>		No
<b>1c</b>		No
<b>1d</b>		No
<b>1e</b>		No
<b>1f</b>		No
<b>1g</b>		No
<b>1h</b>		No
<b>1i</b>		No
<b>1j</b>		No
<b>1k</b>		No
<b>1l</b>		No
<b>1m</b>	Yes	
<b>1n</b>	Yes	
<b>1o</b>	Yes	
<b>1p</b>		No
<b>1q</b>		No
<b>1r</b>		No
<b>1s</b>		No

**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 related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
<b>(1)</b> NATIONAL GOVERNORS ASSOCIATION	M	1,609,501	INDIRECT COST RATE
<b>(2)</b> NATIONAL GOVERNORS ASSOCIATION	N	1,209,189	INDIRECT COST RATE
<b>(3)</b> NATIONAL GOVERNORS ASSOCIATION	O	528,131	INDIRECT COST RATE

**Part VI Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

**Part VII Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

**Return Reference****Explanation**