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Form **990-PF**

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

OMB No. 1545-0052

2008Department of the Treasury
Internal Revenue Service

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year **2008**, or tax year beginning **Jul 1**, 2008, and ending **Jun 30**, 2009G Check all that apply: ☐ Initial return ☐ Final return ☒ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation The Donald D. Lynch Family Foundation		A Employer identification number 56-2053851
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 108 Artillery Lane		B Telephone number (see the instructions) (919) 846-0830
	City or town State ZIP code Raleigh NC 27615		C If exemption application is pending, check here ☐ D 1 Foreign organizations, check here ☐ 2 Foreign organizations meeting the 85% test, check here and attach computation ☐ E If private foundation status was terminated under section 507(b)(1)(A), check here ☐ F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation			
I Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 8,129,980.		J Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis.)	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (att sch)		5,082,355.			
2 Ck ☐ if the foundn is not req to att Sch B					
3 Interest on savings and temporary cash investments		32,104.	32,104.	32,104.	
4 Dividends and interest from securities		178,079.	178,079.	178,079.	
5a Gross rents					
b Net rental income or (loss)					
6a Net gain/(loss) from sale of assets not on line 10		204,392.			
b Gross sales price for all assets on line 6a 403,083.					
7 Capital gain net income (from Part IV, line 2)			204,392.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11		5,496,930.	414,575.	210,183.	
13 Compensation of officers, directors, trustees, etc.					
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees (attach schedule)					
b Accounting fees (attach sch)					
c Other prof fees (attach sch) 1-16c Stmt		34,200.			34,200.
17 Interest					
18 Taxes (attach schedule) See Line 18 Stmt		8,816.			200.
19 Depreciation (attach sch) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings		2,311.			2,311.
22 Printing and publications					
23 Other expenses (attach schedule) See Line 23 Stmt		5,186.	1,470.		3,716.
24 Total operating and administrative expenses. Add lines 13 through 23		50,513.	1,470.		40,427.
25 Contributions, gifts, grants paid		337,395.			337,395.
26 Total expenses and disbursements. Add lines 24 and 25		387,908.	1,470.		377,822.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		5,109,022.			
b Net investment income (if negative, enter -0-)			413,105.		
c Adjusted net income (if negative, enter -0-)				210,183.	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

Beginning of year

End of year

		(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash — non-interest-bearing	0.	0.	0.
	2 Savings and temporary cash investments	919,457.	588,985.	588,985.
	3 Accounts receivable			
	Less: allowance for doubtful accounts			
	4 Pledges receivable			
	Less: allowance for doubtful accounts			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7 Other notes and loans receivable (attach sch)			
	Less: allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments — U.S. and state government obligations (attach schedule)			
	b Investments — corporate stock (attach schedule) L-10b Stmt	4,635,534.	7,222,943.	7,540,995.
	c Investments — corporate bonds (attach schedule)			
	11 Investments — land, buildings, and equipment: basis			
Less: accumulated depreciation (attach schedule)				
12 Investments — mortgage loans				
13 Investments — other (attach schedule)				
14 Land, buildings, and equipment: basis				
Less: accumulated depreciation (attach schedule)				
15 Other assets (describe)				
16 Total assets (to be completed by all filers — see instructions. Also, see page 1, item I)	5,554,991.	7,811,928.	8,129,980.	
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe)			
	23 Total liabilities (add lines 17 through 22)			
NET FUND ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ☒			
	24 Unrestricted	5,554,991.	7,811,928.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ☐			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see the instructions)	5,554,991.	7,811,928.	
	31 Total liabilities and net assets/fund balances (see the instructions)	5,554,991.	7,811,928.	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year — Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	5,554,991.
2 Enter amount from Part I, line 27a	2	5,109,022.
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	10,664,013.
5 Decreases not included in line 2 (itemize) See Other Decreases Stmt	5	2,852,085.
6 Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	7,811,928.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 — see the instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter 'N/A' on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary — see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	4,131.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	4,131.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	4,131.
6 Credits/Payments:			
a 2008 estimated tax pmts and 2007 overpayment credited to 2008	6a	5,000.	
b Exempt foreign organizations — tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	5,000.	
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	24.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	845.	
11 Enter the amount of line 10 to be: Credited to 2009 estimated tax 845. Refunded	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		X
If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If 'Yes,' attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If 'Yes,' attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) NC — North Carolina		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If 'No,' attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV)? If 'Yes,' complete Part XIV.		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses.		X

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Form 990-PF, Page 2, Part III, Line 5

Other Decreases Stmt

<u>Tax gain vs. book gain on donor</u>		
<u>contributed assets</u>	<u>Total</u>	<u>2,852,085.</u>
Total		<u><u>2,852,085.</u></u>

56-2053851
FYE 6/30/09

THE DONALD D. LYNCH FAMILY FOUNDATION
FEDERAL STATEMENTS
FINAL-2008
AMENDED

Statement 5-Form 990-PF, Part II, Line 10b Corporate Stock Investments

	7/1/2008				6/30/2009	Fair Mkt
	Book Value		Book Value	Basis of	price/share	Value
	Beq of Yr	#shares	End of Yr	Valuation		
ALLIANCE CAPITAL-1000 SH	17334	1000	14656	COST	20.09	20090
ALLIANCE CAPITAL-2000SH		2000	34443	COST	20.09	40180
ALLIANCE CAPITAL-1000 SH		1000	19150	COST	20.09	20090
ALLIANCE CAPITAL-1500 SH		1500	18280	COST	20.09	30135
ALCOA-5000 SH		5000	57606	COST	10.33	51650
AT&T-1558 SH	32105	1558	32105	COST	24.84	38701
AT&T-2676 SH		2676	40140	COST	24.84	66472
AT&T-2000 SH		2000	30000	COST	24.84	49680
AT&T PFD-1000 SH	25000	1000	25000	COST	25.49	25490
AIG-50 SH	55655	50	55655	COST	23.20	1160
AIG-50 SH	54465	50	54465	COST	23.20	1160
AIG-50 SH	57244	50	57244	COST	23.20	1160
AIG-50 SH	51161	50	51161	COST	23.20	1160
AMGEN-1000 SH		1000	54920	COST	52.94	52940
AMGEN-1000 SH	44030	1000	44030	COST	52.94	52940
AMGEN-2000 SH	94469	2000	94469	COST	52.94	105880
ARCH COAL-2000SH		2000	33419	COST	15.37	30740
ARCH COAL-2000SH		2000	76700	COST	15.37	30740
BANK OF AMERICA-1997 SH	76430	1997	76430	COST	13.20	26360
BANK OF AMERICA-2003 SH	40300	2003	40300	COST	13.20	26440
BANK OF AMERICA-3000 SH	105525	3000	105525	COST	13.20	39600
BANK OF AMERICA (MER)-859 SH	72942	859	72942	COST	13.20	11339
BAC CAP DEP SHR-J 2000 SHx	50000	2000	50000	COST	18.40	36800
BAC CAP TRUST-Z-3000 SHx	75000	3000	75000	COST	16.65	49950
BAC CAP TRUST B-1500 SHx	37504	1500	37504	COST	17.61	26415
BAC CAP TRUST C-1500 SH	37500	1500	37500	COST	18.29	27435
BAC DEP PF I (MER)-1500 SHx	37500	1500	37500	COST	16.31	24465
BEST BUY-6500 SH		6500	31250	COST	33.49	217685
BEST BUY-2500 SH		2500	12500	COST	33.49	83725
BEST BUY-3750 SH	52950	3750	52950	COST	33.49	125588
BJ SERVICES-2000 SH	54260	2000	54260	COST	13.63	27260
BJ SERVICES-3000 SH	80120	3000	80120	COST	13.63	40890
BJ SERVICES-1750 SH		1750	47600	COST	13.63	23853
BJ SERVICES-1000 SH		1000	9610	COST	13.63	13630
BOEING-4000 SH		4000	145120	COST	42.50	170000
BOEING-1000 SH	36055	1000	36055	COST	42.50	42500
BOEING-1000 SH		1000	38838	COST	42.50	42500
BOEING-1000 SH		1000	38838	COST	42.50	42500
BOSTON SCIENTIFIC-3000 SH	49052	3000	49052	COST	10.14	30420
BRINKS-10000 SH		10000	49980	COST	29.03	290300
BRINKS HOME SECUTY -10000 SH		10000	84666	COST	28.31	283100
BRISTOL MYERS-2500 SH		2500	54300	COST	20.31	50775
BRISTOL MYERS-2000 SH	50855	2000	50855	COST	20.31	40620
CAMERON INTL-3000 SH		3000	59070	COST	28.30	84900
CAMERON INTL-1000 SH		1000	48070	COST	28.30	28300

CAMERON INTL-1000 SH		1000	48400	COST	28.30	28300
CATERPILLAR-1000 SH		1000	32160	COST	33.04	33040
CIMAREX-2125 SH		2125	37188	COST	28.34	60223
CIRCUIT CITY-2000 SH	17877	2000	17877	COST	0.10	200
CIRCUIT CITY-1000 SH	11605	1000	11605	COST	0.10	100
CISCO SYSTEMS-2000 SH	48945	2000	48945	COST	18.65	37300
CISCO SYSTEMS-2500 SH		2500	44280	COST	18.65	46625
CITIGROUP-1000	39986	1000	39986	COST	2.97	2970
CITIGROUP-1000 SH	43354	1000	43354	COST	2.97	2970
CITIGROUP-645 SH	22917	645	22917	COST	2.97	1916
CITIGROUP-2355 SH	108052	2355	108052	COST	2.97	6994
COOPER INDUSTRIES-2000 SH		2000	36000	COST	31.05	62100
COOPER INDUSTRIES-2000 SH		2000	36000	COST	31.05	62100
CORNING-6000 SH		6000	77482	COST	16.06	96360
CORNING-3000 SH		3000	26803	COST	16.06	48180
CORNING-1000 SH	16345	1000	16345	COST	16.06	16060
CORNING-1000 SH		1000	16345		16.06	16060
CVS-3000 SH		3000	77532	COST	31.87	95610
CVS-3000 SH	77532	3000	77532	COST	31.87	95610
DELL-1000 SH		1000	23180	COST	13.73	13730
DELL-2000 SH	56458	2000	56458	COST	13.73	27460
DUPONT-1000 SH		1000	22650	COST	25.62	25620
DUPONT-1000 SH	46435	1000	46435	COST	25.62	25620
EMERSON ELECTRIC-1500 SH		1500	40542		32.40	48600
FANNIE MAE-1000 SH	56005	1000	56005	COST	0.58	580
FANNIE MAE-1000 SH	54680	1000	54680	COST	0.58	580
FANNIE MAE-1795	37485	1795	37485	COST	0.58	1041
FANNIE MAE-1205 SH	39577	1205	39577	COST	0.58	699
FANNIE MAE PFD-1000 SH	45774	1000	45774	COST	1.51	1510
FANNIE MAE-PFD-500 SH	21454	500	21454	COST	1.51	755
FANNIE MAE PFD-500 SH	21204	500	21204	COST	1.51	755
FAIR COMM-37 SH	0	37	0	COST	0.60	22
FLUOR-3500 SH		3500	23240	COST	51.29	179515
FLUOR-3000 SH		3000	19920	COST	51.29	153870
GENERAL ELECTRIC-3000 SH		3000	91105	COST	11.72	35160
GENERAL ELECTRIC-2000 SH	57965	2000	57965	COST	11.72	23440
GENERAL ELECTRIC-1000 SH	31095	1000	31095	COST	11.72	11720
GENERAL ELECRIC-1000 SH	27340	1000	27340	COST	11.72	11720
GENERAL ELECTRIC-3000 SH		3000	30370	COST	11.72	35160
GE CAPITAL PFD-1000	25000	1000	25000	COST	21.99	21990
GMAC PFD-2000 SH	43820	2000	43820	COST	14.16	28320
GMAC PFD-2000 SH	39719	2000	39719	COST	14.16	28320
GOLD SACHS PFD-3000 SH	75000	3000	75000	COST	22.75	68250
HEWLETT PACKARD-596 SH	26445	596	26445	COST	38.65	23035
HEWLETT PACKARD-632 SH	13355	632	13355	COST	38.65	24427
HEWLETT PACKARD-772 SH	29886	772	29886	COST	38.65	29838
HEWLETT PACKARD-1000 SH		1000	39600	COST	38.65	38650
HSBC PFD-3000 SH	75000	3000	75000	COST	18.08	54240
IDEARC-100 SH	2754	100	2754	COST	0.02	2
INTEL-2500 SH	53250	2500	53250	COST	16.55	41375
INTEL-2500 SH	51274	2500	51274	COST	16.55	41375
INTEL-5000 SH		5000	118955	COST	16.55	82750
IBM-2000 SH		2000	151100	COST	104.42	208840
IBM-2000 SH	151100	2000	151100	COST	104.42	208840
JOHN&JOHN-2000 SH		2000	119735	COST	56.80	113600

JOHN&JOHN-1000 SH	52025	1000	52025	COST	56.80	56800
JOHN&JOHN-1000 SH	50585	1000	50585	COST	56.80	56800
JOHN&JOHN-2000 SH	99980	2000	99980	COST	56.80	113600
JPM CHASE PFD-1500 SH	37890	1500	37890	COST	21.45	32175
KROGER-4000 SH	60880	4000	60880	COST	22.05	88200
MERRILL LYNCH-1000 SH	33400	1000				
MERRILL LYNCH-8000 SH	430000	8000				
MEXICO FUND-6000 SH		6000	49500	COST	17.39	104340
MORGAN STAN-PF 3000 SH	75000	3000	75000	COST	20.37	61110
NEWELL RUBBER-2000 SH	48845	2000	48845	COST	10.41	20820
NEWELL RUBBER-2000 SH		2000	35026	COST	10.41	20820
NOKIA-4000 SH	63649	4000	63649	COST	14.58	58320
NOKIA-2000 SH	34005	2000	34005	COST	14.58	29160
NORDSTROM-6000 SH		6000	57192	COST	19.89	119340
NORDSTROM-2000-SH	19064	2000	19064	COST	19.89	39780
NOVELLUS-1000 SH	46560	1000	46560	COST	16.70	16700
NOVELLUS-1000 SH	33425	1000	33425	COST	16.70	16700
NOVELLUS-1000 SH	21970	1000	21970	COST	16.70	16700
NVIDIA-2500-SH		2500	18725	COST	11.29	28225
NVIDIA-2500-SH		2500	31675	COST	11.29	28225
PAYCHEX-2500 SH		2500	53023	COST	25.20	63000
PFIZER-5000 SH		5000	117290	COST	15.00	75000
RFC STRIPS 340,000	117232		117232	COST	137588	137588
SCHERING PLOUGH-2000 SH	38965	2000	38965	COST	25.12	50240
SCHERING PLOUGH-1000 SH	17405	1000	17405	COST	25.12	25120
SCHERING PLOUGH-1000 SH	18405	1000	18405	COST	25.12	25120
SCHERING PLOUGH-1000 SH	37455	1000	37455	COST	25.12	25120
SCHERING PLOUGH-1000 SH	42872	1000	42872	COST	25.12	25120
SCHERING-PLOUGH-6000 SH		6000	96555	COST	25.12	150720
SCHLUMBERGER-2000		2000	48277	COST	54.11	108220
SCHLUMBERGER-4000		4000	91300	COST	54.11	216440
SYMANTEC-3000 SH	59550	3000	59550	COST	15.58	46740
SYMANTEC-2000 SH	50482	2000	50482	COST	15.58	31160
SYMANTEC-2000 SH	34500	2000	34500	COST	15.58	31160
TIMKEN-3000 SH		3000	66752	COST	17.08	51240
UNTD HEALTH-2000 SH	49660	2000	49660	COST	24.98	49960
UNTD HEALTH-1000 SH	49124	1000	49124	COST	24.98	24980
UNTD HEALTH-1000 SH	49470	1000	49470	COST	24.98	24980
UNTD HEALTH-7500 SH		7500	76238	COST	24.98	187350
VALERO ENERGY-2000 SH	34004	2000	34004	COST	16.89	33780
VALERO ENERGY-5000 SH		5000	84375	COST	16.89	84450
VALERO ENERGY-10000 SH		10000	110000	COST	16.89	168900
VALERO ENERGY-2000 SH		2000	32580	COST	16.89	33780
VERIZON-2000 SH	71306	2000	71306	COST	30.73	61460
WASH MUTUAL-2000 SH	35414	2000	35414	COST	0.16	320
WELLS FARGO-\$116000	66268		54160	COST	49389	49389

TOTALS	4635534		7222943		7540995
MF/CDS	919457		588985		588985
	5554991		7811928		8129980