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

OMB No 1545-0052

2008

Department 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

08-01, 2008, and ending

07-31, 20 09

G 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

EXACTO FOUNDATION INC

Number and street (or P O box number if mail is not delivered to street address)

PO BOX 24

Room/suite

City or town, state, and ZIP code

GRAFTON, WI 53024

A Employer identification number

23-7076890

B Telephone number (see the instructions)

(262) 377-3970

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 computationE If private foundation status was terminated  
under section 507(b)(1)(A), check hereF 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 foundationI Fair market value of all assets at end  
of year (from Part II, col (c),  
line 16) ▶ \$

1,455,465

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 (attach schedule)

2 Check ☒ if the foundation is not required to attach Sch B

3 Interest on savings and temporary cash investments

422

422

422

4 Dividends and interest from securities

62,641

62,641

62,641

5a Gross rents

b Net rental income or (loss)

6a Net gain or (loss) from sale of assets not on line 10

b Gross sales price for all assets on line 6a

7 Capital gain net income (from Part IV, line 2)

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 or (loss) (attach schedule)

11 Other income (attach schedule)

12 Total. Add lines 1 through 11

63,063

63,063

63,063

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 schedule)

c Other professional fees (attach schedule)

17 Interest

18 Taxes (attach schedule) (see the instructions)

19 Depreciation (attach schedule) and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses (attach schedule)

24 Total operating and administrative expenses

Add lines 13 through 23

10

10

10

10

25 Contributions, gifts, grants paid

54,365

54,365

26 Total expenses and disbursements. Add lines 24 and 25

54,375

10

10

54,375

27 Subtract line 26 from line 12

a Excess of revenue over expenses and disbursements

8,688

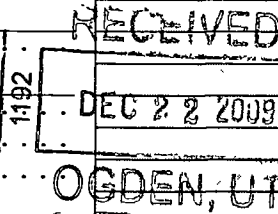
b Net investment income (if negative, enter -0-)

63,053

c Adjusted net income (if negative, enter -0-)

63,053

16618



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ADMINISTRATIVE EXPENSES

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		13,582		
	2	Savings and temporary cash investments		51,640	10,203	10,203
	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 schedule)				
		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)	STM136	100,686	100,285	100,285
	b	Investments - corporate stock (attach schedule)	STM137	529,188	402,092	402,092
	c	Investments - corporate bonds (attach schedule)	STM138	176,463	248,144	248,144
	11	Investments - land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)					
12	Investments - mortgage loans					
13	Investments - other (attach schedule)	STM118	639,039	694,741	694,741	
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 the instructions Also, see page 1, item I)		1,510,598	1,455,465	1,455,465	
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe)				
	23	Total liabilities (add lines 17 through 22)			0	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.	<input type="checkbox"/>			
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.	<input checked="" type="checkbox"/>			
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds		1,510,598	1,455,465	
	30	Total net assets or fund balances (see the instructions)		1,510,598	1,455,465	
	31	Total liabilities and net assets/fund balances (see the instructions)		1,510,598	1,455,465	

## 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	1,510,598
2	Enter amount from Part I, line 27a	2	8,688
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	1,519,286
5	Decreases not included in line 2 (itemize) STM116	5	63,821
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,455,465

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P-Purchase D-Donation	(c) Date acquired (yr, mo, day)	(d) Date sold (yr, mo, day)
1a See STM-134				
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 253,980		269,460	(15,480)
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	(15,480)
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0- in Part I, line 8 . . . . . }	3	

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? . . . . . ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2007	53,342	1,563,636	0.034114
2006	49,425	1,599,826	0.030894
2005	122,342	1,566,293	0.078109
2004	30,045	1,567,378	0.019169
2003	64,208	1,550,322	0.041416

2 Total of line 1, column (d) . . . . .	2	0.203702
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . . . .	3	0.04074
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5 . . . . .	4	1,415,794
5 Multiply line 4 by line 3 . . . . .	5	57,679
6 Enter 1% of net investment income (1% of Part I, line 27b) . . . . .	6	631
7 Add lines 5 and 6 . . . . .	7	58,310
8 Enter qualifying distributions from Part XII, line 4 . . . . . If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions	8	54,375

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> 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 <input type="checkbox"/> and enter 1% of Part I, line 27b . . . . .	1	1,261
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (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	1,261
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0- . . . . .	5	1,261
6	<b>Credits/Payments</b>		
a	2008 estimated tax payments and 2007 overpayment credited to 2008 . . . . .	6a	
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	
8	Enter any <b>penalty</b> for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached . . . . .	8	25
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter amount <b>owed</b> . . . . .	9	1,286
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the amount <b>overpaid</b> . . . . .	10	
11	Enter the amount of line 10 to be <b>Credited to 2009 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a 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)? . . . . . 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		X
c Did the foundation file <b>Form 1120-POL</b> 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 <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
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
4a 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 <b>Form 990-T</b> for this year? . . . . .		
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, col (c), and Part XV . . . . .	X	
8a Enter the states to which the foundation reports or with which it is registered (see the instructions) <input type="checkbox"/> <b>WI</b>		
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

**Part VII-A Statements Regarding Activities** (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	13	X	
14	The books are in care of ▶ DANIEL LINSLEY Telephone no ▶ 262-377-3970 Located at ▶ 1201 HICKORY STREET GRAFTON, WI ZIP+4 ▶ 53024			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041-Check here and enter the amount of tax-exempt interest received or accrued during the year			15

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)?	1b	
Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes," list the years ▶		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see the instructions)	2b	X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2008 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2008)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?	4b	X

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required** (continued)

5a During the year did the foundation pay or incur any amount to				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see the instructions)?	<input type="checkbox"/>	5b		X
Organizations relying on a current notice regarding disaster assistance check here	<input type="checkbox"/>			
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	<input type="checkbox"/> Yes <input type="checkbox"/> No			
If "Yes," attach the statement required by Regulations section 53.4945-5(d)				
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/>	6b		X
If you answered "Yes" to 6b, also file Form 8870				
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/>	7b		

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

1 List all officers, directors, trustees, foundation managers and their compensation (see the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
STEPHANIE FLEMING 10800 N HADDONSTONE PLACE, WI 53092	PRESIDENT 5	0	0	0
GREG HEITZ PO BOX 24 GRAFTON, WI 53024	DIRECTOR 1	0	0	0
WILLIAM GREENE 2227 EDGEWOOD DRIVE, WI 53024	SEC/TREAS 1	0	0	0
DANIEL LINSLEY PO BOX 24 GRAFTON, WI 53024	DIRECTOR 2	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see the instructions).

If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ☐

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services . . . . . ▶

**Part IX-A** Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
<b>1</b> GRANTS TO PUBLIC CHARITABLE ORGANIZATIONS INCLUDING EDUCATIONAL INSTITUTIONS	18,150
<b>2</b> EDUCATIONAL SCHOLARSHIPS FOR COLLEGE STUDENTS	36,215
<b>3</b>	
<b>4</b>	

**Part IX-B** Summary of Program-Related Investments (see the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
<b>1</b>	
<b>2</b>	
All other program-related investments. See the instructions.	
<b>3</b>	
<b>Total.</b> Add lines 1 through 3 . . . . . ▶	



**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see the instructions.)

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	1,398,581
<b>b</b>	Average of monthly cash balances	<b>1b</b>	38,773
<b>c</b>	Fair market value of all other assets (see the instructions)	<b>1c</b>	0
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	1,437,354
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	1,437,354
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see the instructions)	<b>4</b>	21,560
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	1,415,794
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	70,790

**Part XI Distributable Amount** (see the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☒ and do not complete this part.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	
<b>2a</b>	Tax on investment income for 2008 from Part VI, line 5	<b>2a</b>	
<b>b</b>	Income tax for 2008 (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	
<b>6</b>	Deduction from distributable amount (see the instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	

**Part XII Qualifying Distributions** (see the instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	54,375
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	54,375
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see the instructions)	<b>5</b>	
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	54,375

**Note** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income** (see the instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
<b>1</b> Distributable amount for 2008 from Part XI, line 7 . . . . .				
<b>2</b> Undistributed income, if any, as of the end of 2007				
<b>a</b> Enter amount for 2007 only . . . . .				
<b>b</b> Total for prior years . . . . .				
<b>3</b> Excess distributions carryover, if any, to 2008				
<b>a</b> From 2003 . . . . .				
<b>b</b> From 2004 . . . . .				
<b>c</b> From 2005 . . . . .				
<b>d</b> From 2006 . . . . .				
<b>e</b> From 2007 . . . . .				
<b>f</b> Total of lines 3a through e . . . . .				
<b>4</b> Qualifying distributions for 2008 from Part XII, line 4 ▶ \$ <u>54,375</u>				
<b>a</b> Applied to 2007, but not more than line 2a . . .				
<b>b</b> Applied to undistributed income of prior years (Election required - see the instructions) . . .				
<b>c</b> Treated as distributions out of corpus (Election required - see the instructions) . . . . .				
<b>d</b> Applied to 2008 distributable amount . . . . .				
<b>e</b> Remaining amount distributed out of corpus . . .	54,375			
<b>5</b> Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a) )				
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5 .	54,375			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b . . . . .				
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed . . . . .				
<b>d</b> Subtract line 6c from line 6b Taxable amount - see the instructions . . . . .				
<b>e</b> Undistributed income for 2007 Subtract line 4a from line 2a Taxable amount - see the instructions . . . . .				
<b>f</b> Undistributed income for 2008 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2009 . . . . .				
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see the instructions) . . . . .				
<b>8</b> Excess distributions carryover from 2003 not applied on line 5 or line 7 (see the instructions) . . . . .				
<b>9</b> Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a . . . . .	54,375			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2004 . . . . .				
<b>b</b> Excess from 2005 . . . . .				
<b>c</b> Excess from 2006 . . . . .				
<b>d</b> Excess from 2007 . . . . .				
<b>e</b> Excess from 2008 . . . . .	54,375			

**Part XIV Private Operating Foundations** (see the instructions and Part VII-A, question 9)

**1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling 1970-09-14

**b** Check box to indicate whether the foundation is a private operating foundation described in section ☒ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .	63,053	70,115	79,760	78,315	291,243
<b>b</b> 85% of line 2a . . . . .	53,595	59,598	67,796	66,568	247,557
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . . .	36,165	54,020	49,425	122,235	261,845
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .	36,165	54,020	49,425	122,235	261,845
<b>3</b> Complete 3a, b, or c for the alternative test relied upon					
<b>a</b> "Assets" alternative test - enter					
<b>(1)</b> Value of all assets . . . . .					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
<b>b</b> "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . . . . .	47,194	52,121	53,173	52,210	204,698
<b>c</b> "Support" alternative test - enter					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
<b>(3)</b> Largest amount of support from an exempt organization . . . . .					
<b>(4)</b> Gross investment income . . . . .					

**Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see the instructions.)**

**1 Information Regarding Foundation Managers.**

**a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2) )

NONE ,

**b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE ,

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

**a** The name, address, and telephone number of the person to whom applications should be addressed

**b** The form in which applications should be submitted and information and materials they should include

**c** Any submission deadlines

**d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

**Part XV** Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient			If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)						
a Paid during the year						
SERVICE CLUB OF MILWAUKEE						
Milwaukee	WI	53202	NONE	EXEMPT	GENERAL	1,250
KYLE LUCAS						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	2,000
ASHLEY BARTLEIN						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	500
LAURA AKERLUND						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	1,500
LAKESHORE MIDDLE SCHOOL PTO						
Thiensville	WI	53092	NONE	EXEMPT	GENERAL	40
MELISSA BERT						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	500
SHANNON TANSKI						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	1,500
WOMEN'S LIFELINE						
Milwaukee	WI	53202	NONE	EXEMPT	GENERAL	3,000
Total . . . . .					3a	
b Approved for future payment						
Total . . . . .					3b	

**Part XV** Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient			If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)						
a Paid during the year						
DILLON SHIF						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	1,500
EMILY PROSSER						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	1,500
AMERICAN CANCER SOCIETY						
Milwaukee	WI	53202	NONE	EXEMPT	GENERAL	5,000
C BAITZELL						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	500
AMERICAN LEGION-BADGER STATE						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	225
UNKNOWN						
Grafton	WI	53024	NONE	EXEMPT	GENERAL	150
GRAFTON HIGH SCHOOL						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	50
CELEBRATE GRAFTON						
Grafton	WI	53024	NONE	EXEMPT	GENERAL	500
Total			▶ 3a			
b Approved for future payment						
Total			▶ 3b			

**Part XV** Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient			If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)						
a Paid during the year						
CHESTNUT FILL FARM						
Cedarburg	WI	53012	NONE	EXEMPT	GENERAL	200
RACHEL BARTZ						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	750
RYAN BEIDERWIEDEN						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	750
ASHLEY BUCHOLZ						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	750
TRAVIS GRESHAM						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	750
ANDY HANEY						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	750
ALYSON AMENDA						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	500
STEPHANIE DAVIS						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	500
Total . . . . .						3a
b Approved for future payment						
Total . . . . .						3b

**Part XV** Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient			If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)						
a Paid during the year						
TANYA MISKE						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	750
CASIE BASTIAN						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	750
NATHAN CAMPBELL						
Port Washington	WI	53074	NONE	EXEMPT	EDUCATION	750
STEPHANIE CARROLL						
Port Washington	WI	53074	NONE	EXEMPT	EDUCATION	750
SAMATHA CARROLL						
Port Washington	WI	53074	NONE	EXEMPT	EDUCATION	750
COREY KUENSTLER						
Port Washington	WI	53074	NONE	EXEMPT	EDUCATION	750
AARON YAKEL						
Grafton	WI	53024	NONE	EXEMPT	EDUCATION	750
CHARLES KUBLY FOUNDATION						
Milwaukee	WI	53201	NONE	EXEMPT	GENERAL	5,000
Total . . . . .						3a
b Approved for future payment						
Total . . . . .						3b

**Part XV** Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient			If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)						
a Paid during the year						
DOUGLAS GIESE						
Port Washington	WI	53074	NONE	EXEMPT	EDUCATION	1,250
MEQUON THIENSVILLE EDU FOUND						
Thiensville	WI	53092	NONE	EXEMPT	SCHOLARSHIPS	15,000
GRAFTON CHRISTMAS PARADE						
Grafton	WI	53024	NONE	EXEMPT	CIVIC DONATION	3,000
SHEBOYGAN WIAA HOCKEY						
Sheboygan	WI	53081	NONE	EXEMPT	SCHOOL ATHLETIC	200
Total . . . . .					3a	54,365
b Approved for future payment						
Total . . . . .					3b	





1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

**b** If "Yes," complete the following schedule

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

Phone no

# Federal Supporting Statements

2008 PG 01

Name(s) as shown on return

FEIN

EXACTO FOUNDATION INC

23-7076890

Form 990PF, Part III, Line 5

Statement #116

## Other Decreases Schedule

LOSS ON SALES OF SECURITIES	7,270
INCOME TAX	727
LOSS ON FMV OF SECURITIES	55,824
Total	63,821

Form 990PF, Part II, Line 13

PG 01  
Statement #118

## Investments: Other Schedule

Category	Book value (BOY)	Book value (EOY)	FMV (EOY)
TREASURY BANK CD	75,037	75,772	75,772
GOLDMAN SACHS BANK CD	93,470	96,788	96,788
DISCOVER BANK CD	40,078	40,950	40,950
CAPITAL ONE BANK CD	98,460	101,172	101,172
GE MONEY BANK CD		51,970	51,970
DISCOVER BANK CD	30,246	31,545	31,545
IRONSTONE BANK CD	93,606	99,049	99,049
GULF COAST BANK CD	98,856	104,386	104,386
GE MONEY BANK CD		52,770	52,770
CAPMARK BANK CD		40,339	40,339
LEHMAN BROS CD	60,052		
FIRST IDAHO BANK CD	49,234		
Total	639,039	694,741	694,741

Form 990PF, Part II, Line 10(a)

PG 01  
Statement #136

## Investments: Government Obligation Schedule

Category	Book Value (BOY)	Book Value (EOY)	FMV (EOY)
WESTON WI BOND	100,686	100,285	100,285
Totals	100,686	100,285	100,285

# Federal Supporting Statements

2008 PG 01

Name(s) as shown on return

FEIN

EXACTO FOUNDATION INC

23-7076890

## Form 990PF, Part II, Line 10(b) Investments: Corporate Stock Schedule

Statement #137

<u>Category</u>	<u>BOY</u>	<u>Book Value</u>	<u>EOY FMV</u>
BANK OF AMERICA	19,740	8,874	8,874
GENERAL ELECTRIC	28,290	13,400	13,400
HOSPITALITY PROPERTIES	21,300	15,790	15,790
JP MORGAN CHASE	40,630	38,650	38,650
NOVARTIS	29,675	22,810	22,810
PROGRESS ENERGY	42,310	39,440	39,440
XECL ENERGY	40,120	39,880	39,880
FUNDAMENTAL INVESTORS FUND	80,658	63,913	63,913
AMERICAN BALANCED FUND	81,574	72,908	72,908
CAPTIAL INCOME BUILDER	79,483	67,848	67,848
MERRILL LYNCH-PREFERRED	18,460	18,579	18,579
WYETH	20,260		
POWERSHARES EXCHANGE FUND	26,688		
Totals	529,188	402,092	402,092

## Form 990PF, Part II, Line 10(c) Investments: Corporate Bond Schedule

PG 01  
Statement #138

<u>Category</u>	<u>BOY</u>	<u>Book Value</u>	<u>EOY FMV</u>
JOHN HANCOCK BOND	49,644	49,126	49,126
ALLSTATE CORP		51,856	51,856
GENERAL ELECTRIC		68,377	68,377
HOUSEHOLD FINANCE	50,017		
M&I BANK	76,802	78,785	78,785
Totals	176,463	248,144	248,144

# Federal Supporting Statements

2008 PG 01

Name(s) as shown on return

EXACTO FOUNDATION INC

Your Social Security Number

23-7076890

## Form 990PF, Part I, Line 23 - Other Expenses Schedule

Statement #103

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
STATE FILING FEE	10	10	10	10
Totals	10	10	10	10

PG 01

Statement #134

## Form 990-PF, Part IV, Capital Gains And Losses Information (Overflow)

Description	P-Purchase D-Donation	Date Acquired	Date Sold	Sales Price	Depreciation	Cost or other basis	Gain or Loss	Pre-1970 Gains or Losses
WYETH STOCK	P	2005-10-10	2009-01-23	20,809		22,984	(2,175)	
POWERSHARES EXCHANGE FUND	P	2006-02-09	2009-05-29	18,171		31,476	(13,305)	
HOUSEHOLD FINANCE CD	P	2001-08-07	2008-08-15	50,000		50,000		
LEHMAN BROS BANK	P	2004-10-06	2008-10-15	60,000		60,000		
FIRST BANK IDAHO	P	2008-02-26	2009-04-29	50,000		50,000		
SOUTHWEST BANK	P	2008-08-14	2009-01-23	55,000		55,000		
Total				253,980		269,460	(15,480)	