Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2008

For calendar year 2008, or tax year beginning SEP 1, 2008 , and ending AUG 31, 2009

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
THE BAILEY FOUNDATION
C/O CAROLINA FIRST BANK

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
P.O. BOX 494

City or town, state, and ZIP code
CLINTON, SC 29325-0494

A Employer identification number
57-6018387

B Telephone number
864-938-2632

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 ☐

H Check type of organization: [X] Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ☐

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 4,362,964.

J Accounting method: [X] Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis.)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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))

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	22,200.			
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	166,910.	166,910.	166,910.	STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<332,236.>			STATEMENT 1
	b Gross sales price for all assets on line 6a 1,635,794.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	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)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	<143,126.>	166,910.	166,910.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	17,030.	17,030.	17,030.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	5,600.	5,600.	5,600.	0.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	785.	105.	105.	0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications	180.	180.	180.	0.
	23 Other expenses STMT 5	1,219.	1,219.	1,219.	0.
	24 **Total operating and administrative expenses** Add lines 13 through 23	24,814.	24,134.	24,134.	0.
	25 Contributions, gifts, grants paid	239,900.			239,900.
	26 **Total expenses and disbursements.** Add lines 24 and 25	264,714.	24,134.	24,134.	239,900.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<407,840.>			
	b **Net investment income** (if negative, enter -0-)		142,776.		
	c **Adjusted net income** (if negative, enter -0-)			142,776.	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	384,072.	283,101.	283,101.
	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			
	7 Other notes and loans receivable ▶			
	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 STMT 7	1,064,531.	600,000.	609,151.
	b Investments - corporate stock STMT 8	1,817,228.	1,440,528.	1,722,065.
	c Investments - corporate bonds STMT 9	1,151,156.	1,686,264.	1,748,647.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	4,416,987.	4,009,893.	4,362,964.
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			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here** ▶ ☐ **and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted			
	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	4,416,987.	4,009,893.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30 **Total net assets or fund balances**	4,416,987.	4,009,893.	
	31 **Total liabilities and net assets/fund balances**	4,416,987.	4,009,893.	

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	4,416,987.
2	Enter amount from Part I, line 27a	2	<407,840.>
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 6	3	749.
4	Add lines 1, 2, and 3	4	4,009,896.
5	Decreases not included in line 2 (itemize) ▶ ROUNDING	5	3.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,009,893.

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 (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b	SEE ATTACHED STATEMENTS			
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				
b				
c				
d				
e	1,635,794.		1,968,030.	<332,236.>

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

	(i) F.M.V. 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				<332,236.>

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	<332,236.>
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). If (loss), enter -0- in Part I, line 8		3	<135,304.>

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 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	475,494.	4,869,724.	.097643
2006	294,100.	5,006,411.	.058745
2005	282,736.	4,796,352.	.058948
2004	272,740.	4,819,853.	.056587
2003	562,432.	4,953,485.	.113543

2 **Total** of line 1, column (d)	2	.385466
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	.077093
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	3,968,977.
5 Multiply line 4 by line 3	5	305,980.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,428.
7 Add lines 5 and 6	7	307,408.
8 Enter qualifying distributions from Part XII, line 4	8	239,900.

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.

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

1a	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	2,856.
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	2,856.
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	2,856.
6	Credits/Payments:		
a	2008 estimated tax payments and 2007 overpayment credited to 2008 — 6a: 4,127.		
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	4,127.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	
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	1,271.
11	Enter the amount of line 10 to be: **Credited to 2009 estimated tax** ▶ 1,271. **Refunded** ▶	11	0.

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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see 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.*	1b		X
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0. **(2)** On foundation managers. ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
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.*	2		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		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?	6	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.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ SC			
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*	8b	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*	9	X	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

		Line	Yes	No
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?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ CAROLINA FIRST BANK, TRUSTEE Telephone no. ▶ (864) 938-2632

Located at ▶ PO BOX 494, CLINTON, SC ZIP+4 ▶ 29325-0494

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 N/A

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.

			Line	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?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ 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)?	☐ Yes ☒ 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.)	☐ Yes ☒ 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 page 20 of the instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
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?	☐ Yes ☒ 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 instructions.)	N/A	2b		
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?	☐ Yes ☒ 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.)*	N/A	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

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

			Yes	No
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))?	☐ Yes ☒ No			
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ 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)?	☐ Yes ☒ 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?	☐ Yes ☒ 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 instructions)?	N/A	5b		
Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
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?	N/A ☐ Yes ☐ 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?	☐ Yes ☒ No			
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		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?	☐ Yes ☒ No			
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	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.

(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
SEE STATEMENT 10		17,030.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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 ▶ 0

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

3 Five highest-paid independent contractors for professional services. 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 ▶ 0

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
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	3,661,882.
b	Average of monthly cash balances	1b	367,536.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	4,029,418.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	4,029,418.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	60,441.
5	**Net value of noncharitable-use assets**. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,968,977.
6	**Minimum investment return**. Enter 5% of line 5	6	198,449.

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

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

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	239,900.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions**. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	239,900.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions**. Subtract line 5 from line 4	6	239,900.

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.

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

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				0.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			0.	
b Total for prior years: ____, ____, ____		0.		
3 Excess distributions carryover, if any, to 2008:				
a From 2003				
b From 2004				
c From 2005				
d From 2006				
e From 2007				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2008 from Part XII, line 4: ▶ $ N/A				
a Applied to 2007, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2008 distributable amount				0.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c 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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2003 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2009.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008				

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

1 a 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 ▶

b Check box to indicate whether the foundation is a private operating foundation described in section [X] 4942(j)(3) or [ ] 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	142,776.	151,740.	159,200.	165,560.	619,276.
b 85% of line 2a	121,360.	128,979.	135,320.	140,726.	526,385.
c Qualifying distributions from Part XII, line 4 for each year listed	239,900.	478,207.	294,100.	282,736.	1,294,943.
d Amounts included in line 2c not used directly for active conduct of exempt activities	0.	0.	0.	0.	0.
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	239,900.	478,207.	294,100.	282,736.	1,294,943.
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter: (1) Value of all assets					0.
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0.
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	132,299.	162,324.	166,881.	159,879.	621,383.
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0.
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0.
(3) Largest amount of support from an exempt organization					0.
(4) Gross investment income					0.

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 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:

SEE STATEMENT 11

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: Name and address (home or business)	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
a *Paid during the year*				
SEE STATEMENT 12				
Total			▶ 3a	239,900.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	166,910.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	<332,236.>	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		<165,326.>	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 <165,326.>

(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		Line	Yes	No
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?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d 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.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

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

Robert S [illegible] SVP — 1/12/2010 — S. V. P.

Signature of officer or trustee — Date — Title

Paid Preparer's Use Only

Preparer's signature: [illegible] CPA — Date 1/12/09 — Check if self-employed ☐ — Preparer's identifying number

Firm's name (or yours if self-employed), address, and ZIP code: SWAIMBROWN PA, P.O. BOX 299, CLINTON, SC 29325-0299

EIN ▶

Phone no. 864-833-4450

THE BAILEY FOUNDATION　　　　　　　　　　CONTINUATION FOR 990-PF, PART IV
C/O CAROLINA FIRST BANK　　　　　　　　　　57-6018387　　　PAGE　1　OF　2

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 (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	12,000 OF THE SOUTH FINANCIAL GROUP	D	08/06/09	08/10/09
b	350 OF AMBAC FINANCIAL GROUP	P	02/21/07	04/09/09
c	.8 OF BANK AMER CORP	P	05/04/99	01/16/09
d	700 OF DOVER CORP	P	02/21/07	04/09/09
e	600 OF DUKE ENERGY	P	05/12/05	05/26/09
f	125,000 OF FEDERAL HOME LOAN MORTGAGE 5.75%	P	VARIOUS	05/15/09
g	100,000 OF FEDERAL HOME LOAN MORTGAGE 1.5%	P	VARIOUS	07/06/09
h	250,000 OF FEDERAL HOME LOAN BANK 5.355%	P	VARIOUS	01/05/09
i	40,000 OF FEDERAL HOME LOAN BANK	P	VARIOUS	12/12/08
j	100,000 OF FEDERAL HOME LOAN BANK 5.54%	P	VARIOUS	06/29/09
k	100,000 OF FEDERAL HOME LOAN BANK 5.1%	P	VARIOUS	07/07/09
l	100,000 OF FEDERAL FARM CREDIT BANK 4.74%	P	VARIOUS	05/13/09
m	41,862.17 OF FREDDIE MAC-3220 6%	P	07/15/08	02/17/09
n	58,137.83 OF FREDDIE MAC-3220 6%	P	07/15/08	03/16/09
o	1,819.971 OF FIDELITY VALUE FUND 39	P	02/20/07	12/17/08

	(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	22,078.		22,200.	<122.>
b	317.		28,550.	<28,233.>
c	11.		10.	1.
d	20,394.		35,559.	<15,165.>
e	8,104.		9,668.	<1,564.>
f	125,000.		125,000.	0.
g	100,000.		100,013.	<13.>
h	250,000.		250,000.	0.
i	40,000.		40,000.	0.
j	100,000.		100,000.	0.
k	100,000.		100,000.	0.
l	100,000.		100,000.	0.
m	41,862.		41,666.	196.
n	58,138.		57,865.	273.
o	70,815.		142,600.	<71,785.>

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				** <122.>
b				<28,233.>
c				1.
d				<15,165.>
e				<1,564.>
f				** 0.
g				<13.>
h				** 0.
i				** 0.
j				** 0.
k				0.
l				** 0.
m				** 196.
n				** 273.
o				<71,785.>

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	
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). If (loss), enter "-0-" in Part I, line 8	3	

823591
04-25-08

** (SHORT-TERM)

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 (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	4,526.03 OF HARBOR INTERNATIONAL FUND	P	12/20/07	12/17/08
b	4,806.194 OF T ROWE PRICE SMALL CAP VALUE	P	12/19/07	12/17/08
c	8,995.084 OF THORNBURG INTL VALUE #176	P	10/26/06	12/17/08
d	5,430.737 OF VANGUARD MID CAP INDEX SIGNAL SHS FU	P	02/20/07	12/17/08
e	WM WRIGLEY JR CO - CASH MERGER	P	02/21/07	10/08/08
f	CAPITAL GAINS DIVIDENDS			
g				
h				
i				
j				
k				
l				
m				
n				
o				

	(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	187,106.		247,197.	<60,091.>
b	110,398.		185,958.	<75,560.>
c	176,394.		223,041.	<46,647.>
d	92,323.		143,400.	<51,077.>
e	24,000.		15,303.	8,697.
f	8,854.			8,854.
g				
h				
i				
j				
k				
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				** <60,091.>
b				** <75,560.>
c				<46,647.>
d				<51,077.>
e				8,697.
f				8,854.
g				
h				
i				
j				
k				
l				
m				
n				
o				

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	<332,236.>
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). If (loss), enter "-0-" in Part I, line 8	3	<135,304.>

823591
04-25-08

** (SHORT-TERM)

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
12,000 OF THE SOUTH FINANCIAL GROUP	DONATED	08/06/09	08/10/09

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
22,078.	22,200.	0.	0.	<122.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
350 OF AMBAC FINANCIAL GROUP	PURCHASED	02/21/07	04/09/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
317.	28,550.	0.	0.	<28,233.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
.8 OF BANK AMER CORP	PURCHASED	05/04/99	01/16/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
11.	10.	0.	0.	1.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
700 OF DOVER CORP	PURCHASED	02/21/07	04/09/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
20,394.	35,559.	0.	0.	<15,165.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
600 OF DUKE ENERGY	PURCHASED	05/12/05	05/26/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
8,104.	9,668.	0.	0.	<1,564.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
125,000 OF FEDERAL HOME LOAN MORTGAGE 5.75%	PURCHASED	VARIOUS	05/15/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
125,000.	125,000.	0.	0.	0.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
100,000 OF FEDERAL HOME LOAN MORTGAGE 1.5%	PURCHASED	VARIOUS	07/06/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
100,000.	100,013.	0.	0.	<13.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
250,000 OF FEDERAL HOME LOAN BANK 5.355%	PURCHASED	VARIOUS	01/05/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
250,000.	250,000.	0.	0.	0.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
40,000 OF FEDERAL HOME LOAN BANK	PURCHASED	VARIOUS	12/12/08

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
40,000.	40,000.	0.	0.	0.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
100,000 OF FEDERAL HOME LOAN BANK 5.54%	PURCHASED	VARIOUS	06/29/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
100,000.	100,000.	0.	0.	0.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
100,000 OF FEDERAL HOME LOAN BANK 5.1%	PURCHASED	VARIOUS	07/07/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
100,000.	100,000.	0.	0.	0.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
100,000 OF FEDERAL FARM CREDIT BANK 4.74%	PURCHASED	VARIOUS	05/13/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
100,000.	100,000.	0.	0.	0.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
41,862.17 OF FREDDIE MAC-3220 6%	PURCHASED	07/15/08	02/17/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
41,862.	41,666.	0.	0.	196.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
58,137.83 OF FREDDIE MAC-3220 6%	PURCHASED	07/15/08	03/16/09

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
58,138.	57,865.	0.	0.	273.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
1,819.971 OF FIDELITY VALUE FUND 39	PURCHASED	02/20/07	12/17/08

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
70,815.	142,600.	0.	0.	<71,785.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
4,526.03 OF HARBOR INTERNATIONAL FUND	PURCHASED	12/20/07	12/17/08

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
187,106.	247,197.	0.	0.	<60,091.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
4,806.194 OF T ROWE PRICE SMALL CAP VALUE	PURCHASED	12/19/07	12/17/08

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
110,398.	185,958.	0.	0.	<75,560.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
8,995.084 OF THORNBURG INTL VALUE #176	PURCHASED	10/26/06	12/17/08

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
176,394.	223,041.	0.	0.	<46,647.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
5,430.737 OF VANGUARD MID CAP INDEX SIGNAL SHS FUND 1344	PURCHASED	02/20/07	12/17/08

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
92,323.	143,400.	0.	0.	<51,077.>

(A) DESCRIPTION OF PROPERTY				MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
WM WRIGLEY JR CO - CASH MERGER				PURCHASED	02/21/07	10/08/08

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
24,000.	15,303.	0.	0.	8,697.

CAPITAL GAINS DIVIDENDS FROM PART IV	8,854.
TOTAL TO FORM 990-PF, PART I, LINE 6A	<332,236.>

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ALLTEL CORP COM	640.	0.	640.
AMBAC FINANCIAL GROUP	7.	0.	7.
AT&T 4.950%	4,473.	0.	4,473.
BANK AMER CORP	1,383.	0.	1,383.
BECTON DICKINSON	765.	0.	765.
BELLSOUTH CORP	4,869.	0.	4,869.
BP AMOCO	1,344.	0.	1,344.
DANAHER GROUP	60.	0.	60.
DOMINION RES., INC.	665.	0.	665.
DOVER CORP	526.	0.	526.
DOW CHEM CO	171.	0.	171.
DUKE ENERGY HLDG CORP	552.	0.	552.
EXXON MOBIL CORP	810.	0.	810.
FEDERAL FARM CREDIT BANK	4,740.	0.	4,740.
FEDERAL HOME LOAN BANK 4.125%	2,063.	0.	2,063.
FEDERAL HOME LOAN BANK 5.050%	1,010.	0.	1,010.
FEDERAL HOME LOAN BANK 5.100%	5,737.	0.	5,737.
FEDERAL HOME LOAN BANK 5.200%	13,000.	0.	13,000.
FEDERAL HOME LOAN BANK 5.355%	6,694.	0.	6,694.
FEDERAL HOME LOAN BANK 5.540%	5,540.	0.	5,540.
FEDERAL HOME LOAN MORTGAGE 1.500%	331.	0.	331.
FEDERAL HOME LOAN MORTGAGE 5.750%	7,188.	0.	7,188.
FEDERATED GOVERNMENT OBLIGATION #804	5,439.	0.	5,439.
FIDELITY VALUE FUND 39 - CAP GAIN - LT	428.	0.	428.
FPL GROUP INC	47.	0.	47.

FREDDIE MAC 6.00%	3,291.	0.	3,291.
GENERAL ELEC CAP CORP	1,394.	0.	1,394.
GENERAL ELEC CO COM	2,055.	0.	2,055.
GOLDMAN SACHS GROUP	233.	0.	233.
HARTFORD FINANCIAL SERVICES	190.	0.	190.
HERSHEY CORPORATION	5,908.	0.	5,908.
HESS CORPORATION	1,268.	0.	1,268.
INTEL CORP	126.	0.	126.
ISHARES MSCI EAFE INDEX FUND	11,853.	0.	11,853.
ISHARES S&P 400 VALUE	1,886.	0.	1,886.
ISHARES SP 400 GROWTH	514.	0.	514.
ISHARES SP 600 VALUE	1,878.	0.	1,878.
ISHARES SP GLB TECH	428.	0.	428.
ITT INDS INC COM	465.	0.	465.
JOHNSON & JOHNSON	748.	0.	748.
JOHNSON CTLS INC COM	312.	0.	312.
JP MORGAN CHASE & COMPANY	259.	0.	259.
LOWE'S COMPANIES, INC.	242.	0.	242.
MCDONALDS CORP	422.	0.	422.
MERRILL LYNCH & CO INC	280.	0.	280.
MICROSOFT CORP	500.	0.	500.
NATIONAL CITY CAP TR III	6,691.	0.	6,691.
NATIONAL RURAL UTILITY 7.25%	18,533.	0.	18,533.
NOVARTIS AG-ADR	342.	0.	342.
ORACLE 5.25%	5,250.	0.	5,250.
ORACLE CORPORATION	115.	0.	115.
PEPSICO INC COM	518.	0.	518.
PHILIP MORRIS INTERNATIONAL	1,080.	0.	1,080.
PRAXAIR INC	775.	0.	775.
PROCTOR & GAMBLE CO	1,092.	0.	1,092.
ROYAL BANK OF SCOTLAND 6.375%	14,917.	0.	14,917.
SCHLUMBERGER LTD	420.	0.	420.
STAPLES INCORPORATED	124.	0.	124.
STRYKER CORP	80.	0.	80.
T ROWE PRICE GROUP INC	784.	0.	784.
T ROWE PRICE NEW ERA	436.	0.	436.
T ROWE PRICE NEW ERA - CAP GAIN - LT	258.	258.	0.
T ROWE PRICE NEW ERA - CAP GAIN - ST	89.	89.	0.
T ROWE PRICE SMALL CAP VALUE	1,298.	0.	1,298.
T ROWE PRICE SMALL CAP VALUE - CAP GAIN - LT	7,930.	7,930.	0.
T ROWE PRICE SMALL CAP VALUE - CAP GAIN - ST	577.	577.	0.
TARGET CORP	192.	0.	192.
TEVA PHARMACEUTICAL	279.	0.	279.
THORNBURG INTL VALUE #176	1,341.	0.	1,341.
UNITED TECHNOLOGIES CORP	885.	0.	885.
VERIZON COMMUNICATION	1,288.	0.	1,288.
WACHOVIA CAPITAL TRUST I PRFD 6.375%	6,407.	0.	6,407.
WALGREEN CO	270.	0.	270.
WALT DISNEY CO	96.	0.	96.

WELLS FARGO & CO NEW	963.	0.	963.
TOTAL TO FM 990-PF, PART I, LN 4	175,764.	8,854.	166,910.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SWAIMBROWN PA - ANNUAL REPORT	3,350.	3,350.	3,350.	0.
SWAIMBROWN PA - TAX RETURN	2,250.	2,250.	2,250.	0.
TO FORM 990-PF, PG 1, LN 16B	5,600.	5,600.	5,600.	0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FORM 990-PF FOR Y/E 08/31/09	680.	0.	0.	0.
FOREIGN TAXES PAID ON INVESTMENTS	105.	105.	105.	0.
TO FORM 990-PF, PG 1, LN 18	785.	105.	105.	0.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
HONORARIUM PAYMENTS - 7 AT $100 EACH	700.	700.	700.	0.
FRAMING PHOTOGRAPHS	519.	519.	519.	0.
TO FORM 990-PF, PG 1, LN 23	1,219.	1,219.	1,219.	0.

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 6

DESCRIPTION	AMOUNT
INTEREST & DIVIDEND INCOME TAXED IN PRIOR PERIOD(S)	749.
TOTAL TO FORM 990-PF, PART III, LINE 3	749.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 7

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
US GOVERNMENT OBLIGATIONS - SEE ATTACHED DETAIL	X		600,000.	609,151.
TOTAL U.S. GOVERNMENT OBLIGATIONS			600,000.	609,151.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			600,000.	609,151.

FORM 990-PF CORPORATE STOCK STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK - SEE ATTACHED DETAIL	767,251.	931,641.
CORPORATE MUTUAL FUNDS - SEE ATTACHED DETAILS	673,277.	790,424.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,440,528.	1,722,065.

FORM 990-PF CORPORATE BONDS STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS - SEE ATTACHED DETAIL	1,686,264.	1,721,107.
ACCURED INCOME AS OF 08/31/09	0.	27,540.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,686,264.	1,748,647.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 10

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
GEORGE H. CORNELSON, IV 1644 HIGHWAY 56 SOUTH CLINTON, SC 29325	ADVISORY COMMITTEE - CHAIR 0.00	0.	0.	0.
MRS. BAILEY DIXON 1 BOXWOOD GARDENS CLINTON, SC 29325	ADVISORY COMMITTEE 0.00	0.	0.	0.
MARY V. SUITT 15 ABINGTON COURT NW ATLANTA, GA 30327-1353	ADVISORY COMMITTEE 0.00	0.	0.	0.
TOCCOA W. SWITZER 305 EAST SOUTH STREET UNION, SC 29379	ADVISORY COMMITTEE 0.00	0.	0.	0.
WALTER S. MONTGOMERY, JR. 314 SOUTH PINE STREET, BUILDING 100 SPARTANBURG, SC 29302	ADVISORY COMMITTEE 0.00	0.	0.	0.
VIRGINIA G. VANCE 311 SOUTH BROAD STREET CLINTON, SC 29325	ADVISORY COMMITTEE 0.00	0.	0.	0.
ROBERT S. LINK, JR. P.O. BOX 494 CLINTON, SC 29325-0494	ADMINISTRATOR 0.00	0.	0.	0.
CAROLINA FIRST BANK P.O. BOX 494 CLINTON, SC 29325-0494	TRUSTEE 3.00	17,030.	0.	0.
NORMAN W. DIXON 835 MYRTLE STREET NE ATLANTA, GA 30308	ADVISORY COMMITTEE 0.00	0.	0.	0.
JAMES L. SWITZER, JR. MORGAN STANLEY, 100 DUNBAR STREET, SUITE 104 SPARTANBURG, SC 29360	ADVISORY COMMITTEE 0.00	0.	0.	0.

MARTIN S. CORNELSON 329 CONNECTICUT AVENUE SPARTANBURG, SC 29302	ADVISORY COMMITTEE 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		17,030.	0.	0.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 11
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

ROBERT S. LINK, JR., ADMINISTRATOR
PO BOX 494
CLINTON, SC 29325-0494

TELEPHONE NUMBER

864-938-2632

FORM AND CONTENT OF APPLICATIONS

FORMS SUPPLIED UPON REQUEST

ANY SUBMISSION DEADLINES

SCHOLARSHIPS: APRIL 15 OF THE APPLICANT'S SENIOR YEAR OF HIGH SCHOOL
ORGANIZATIONS: OCTOBER 1 OF EACH YEAR

RESTRICTIONS AND LIMITATIONS ON AWARDS

RESTRICTIONS FOR SCHOLARSHIPS NOTED IN ATTACHED. GRANT REQUESTS FROM ORGANIZATIONS ARE LIMITED TO ORGANIZATIONS OPERATING IN LAURENS COUNTY, SOUTH CAROLINA

FORM 990-PF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR STATEMENT 12

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
BAILEY MANOR 300 JACOBS HIGHWAY, CLINTON, SC 29325	GRANT PAYMENT		5,000.
CHRIST SCHOOL, INC. 500 CHRIST SCHOOL ROAD, ARDEN, NC 28704	MATCHING GIFTS PROGRAM		5,000.
CITY OF CLINTON 211 NORTH BROAD STREET, CLINTON, SC 29325	GRANT PAYMENT		5,000.
CLEMSON UNIVERSITY 105 SIKES HALL, BOX 345124, CLEMSON, SC 29634-5124	SCHOLARSHIP - MADISON G. HALL		2,500.
CLEMSON UNIVERSITY 105 SIKES HALL, BOX 345124, CLEMSON, SC 29634-5124	SCHOLARSHIP - JESSICA L. WILKERSON		2,500.
CLINTON FAMILY YMCA 100 YMCA DRIVE, CLINTON, SC 29325	GRANT PAYMENT		25,000.
EMORY AND HENRY COLLEGE PO BOX 947, EMORY, VA 24327-0947	MATCHING GIFTS PROGRAM		100.
EPISCOPAL HIGH SCHOOL 1200 N QUAKER LANE, ALEXANDRIA, VA 22302	MATCHING GIFTS PROGRAM		3,700.
ERSKINE COLLEGE 2 WASHINGTON STREET, DUE WEST, SC 29639	SCHOLARSHIP - JAMES L. BLAKELY, JR.		2,500.

FURMAN UNIVERSITY 3300 POINSETT HIGHWAY, GREENVILLE, SC 29613	SCHOLARSHIP - ROBERT L. SCOTT	5,000.
FURMAN UNIVERSITY 3300 POINSETT HIGHWAY, GREENVILLE, SC 29613	SCHOLARSHIP - MARY S. HENDERSON	5,000.
GOOD SHEPHERD FREE MEDICAL CLINIC 245 HUMAN SERVICES ROAD, CLINTON, SC 29325	GRANT PAYMENT	7,500.
LAURENS COUNTY LITERACY 221 WEST LAURENS STREET, SUITE C, LAURENS, SC 29360	GRANT PAYMENT	1,500.
INDEPENDENT COLLEGES AND UNIVERSITIES OF SC 1706 SENATE STREET, COLUMBIA, SC 29201	NAMED SCHOLARSHIPS PROGRAM - GRANT PAYMENT	20,000.
LANDER UNIVERSITY 320 STANLEY AVENUE, GREENWOOD, SC 29649-2099	SCHOLARSHIP - ELIZABETH S. HOLLAND	<2,500.>
CLINTON YOUTH ORGANIZATION 404 NORTH BROAD STREET, CLINTON, SC 29325	GRANT PAYMENT	5,000.
LIMESTONE COLLEGE 1115 COLLEGE DRIVE, GAFFNEY, SC 29340	MATCHING GIFTS PROGRAM	5,000.
LYDIA PENTECOSTAL HOLINESS CHURCH 661 POPLAR STREET, CLINTON, SC 29325	GRANT PAYMENT	5,000.
OPEN DOOR CHRISTIAN CENTER 209 EAST MAIN STREET, CLINTON, SC 29325	GRANT PAYMENT	2,500.
DAVIDSON STREET BAPTIST CHURCH PO BOX 629, CLINTON, SC 29325	GRANT PAYMENT	2,500.

PRESBYTERIAN COLLEGE 503 SOUTH BROAD STREET, CLINTON, SC 29325	MATCHING GIFTS PROGRAM	5,250.
PRESBYTERIAN COLLEGE 503 SOUTH BROAD STREET, CLINTON, SC 29325	SCHOLARSHIP - PHYLLIS N. CRAIG	5,000.
PRESBYTERIAN COLLEGE 503 SOUTH BROAD STREET, CLINTON, SC 29325	GRANT PAYMENT - ARTS BUILDING PROJECT	50,000.
DEERFIELD ACADEMY BOX 306 - ALUMNI OFFICE, DEERFIELD, MA 01342	MATCHING GIFTS PROGRAM	2,500.
CONVERSE COLLEGE 580 EAST MAIN STREET, SPARTANBURG, SC 29302	MATCHING GIFTS PROGRAM	400.
BROAD STREET METHODIST CHURCH 310 NORTH BROAD STREET, CLINTON, SC 29325	GRANT PAYMENT	1,000.
HEBRON BAPTIST CHURCH 118 BUICE CIRCLE, CLINTON, SC 29325	GRANT PAYMENT	2,500.
BETHANY PRESBYTERIAN CHURCH 106 FAWN ROAD, CLINTON, SC 29325	GRANT PAYMENT	5,000.
THORNWELL HOME AND SCHOOL FOR CHILDREN 300 SOUTH BROAD STREET, CLINTON, SC 29325	GRANT PAYMENT	20,000.
UNITED WAY OF LAURENS COUNTY 16 PEACHTREE STREET, SUITE B, CLINTON, SC 29325	ANNUAL CAMPAIGN - GRANT PAYMENT	20,000.

UNIVERSITY OF SOUTH CAROLINA 902 SUMTER STREET ACCESS / LIEBER COLLEGE, COLUMBIA, SC 29208	SCHOLARSHIP - LAURA E. THORP	2,500.
VIRGINIA COMMONWEALTH UNIVERSITY 909 WEST FRANKLIN STREET, RICHMOND, VA 23284	MATCHING GIFTS PROGRAM	100.
ALEXANDER-THARPE FUND INC OF THE GEORGIA INSTITUTE OF TECHNOLOGY 150 BOBBY DODD WAY NORTH WEST, ATLANTA, GA 30332-0001	MATCHING GIFTS PROGRAM	2,500.
WASHINGTON & LEE UNIVERSITY 200 WEST WASHINGTON STREET, LEXINGTON, VA 24450	MATCHING GIFTS PROGRAM	250.
WOFFORD COLLEGE 429 NORTH CHURCH STREET, SPARTANBURG, SC 29303-3663	MATCHING GIFTS PROGRAM	10,000.
QUEENS UNIVERSITY OF CHARLOTTE 1900 SELWYN AVENUE, CHARLOTTE, NC 28274	MATCHING GIFTS PROGRAM	5,100.
TOTAL TO FORM 990-PF, PART XV, LINE 3A		239,900.

THE BAILEY FOUNDATION
CAROLINA FIRST BANK, TRUSTEE
CLINTON, SOUTH CAROLINA

STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS
August 31, 2009

ASSETS

Security Name	Shares / Par	Investment	Unit Price	Market Value
FIXED INCOME SECURITIES				
AT&T - 4.950% - 01/15/13	100,000.0000	101,756 19	106.8920	$ 106,892 00
BANK OF AMERICA CORP - 6.750% - 08/15/19	50,000.0000	50,000.00	99.9640	49,982.00
BELLSOUTH CORP - 5.200% - 09/15/14	100,000.0000	101,846.88	108.5510	108,551.00
FEDERAL HOME LOAN BANK - 5.200% - 07/23/15	250,000.0000	250,000.00	103.4375	258,593.75
FEDERAL HOME LOAN BANK - 4.125% - 02/17/16	100,000.0000	100,000.00	100.0310	100,031 00
FEDERAL HOME LOAN MORTGAGE - 5.000% - 07/22/19	100,000.0000	100,000.00	99.7060	99,706.00
FEDERAL NATIONAL MORTGAGE - 4.000% - 08/27/19	150,000.0000	150,000.00	100.5470	150,820.50
GENERAL ELECTRIC CORP - 5.450% - 01/15/13	100,000.0000	100,390.30	105.4210	105,421 00
GENERAL ELECTRIC CAP CORP - 5.250% - 10/19/12	125,000.0000	125,728.10	104.6750	130,843.75
GOLDMAN SACHS - 5.850% - 05/15/15	100,000 0000	100,000.00	102.8070	102,807.00
HERSHEY COMPANY - 5.000% - 04/01/13	125,000.0000	126,739.34	107.7060	134,632.50
HESS CORP - 8.125% - 02/15/19	100,000.0000	110,453.33	118.3290	118,329 00
JP MORGAN CHASE & CO - 5.750% - 01/02/13	50,000.0000	51,369.87	106.7120	53,356.00
NATIONAL CITY CAPITAL TRUST III - 6.625%	4,040.0000	100,030 40	19.9100	80,436.40
NATIONAL RURAL UTILITY - 7.250% - 03/01/12	265,000.0000	267,037.07	110.2020	292,035.30
ORACLE CORP - 5.250% - 01/15/16	100,000.0000	99,444.64	107.5800	107,580.00
ROYAL BANK OF SCOTLAND - 6.375% - 02/01/11	250,000.0000	251,531.88	99.6150	249,037.50
WACHOVIA CAPITAL TRUST I PREFERRED 6.375%	4,020.0000	99,935.60	20.2000	81,204.00
Total FIXED INCOME SECURITIES	**2,073,060.0000**	**2,286,263.60**		**2,330,258.70**
EQUITIES				
ALTRIA GROUP, INC.	500.0000	5,557.81	18.2800	9,140 00
AMGEN INC	400.0000	23,822.08	59.7800	23,912.00
BANK AMER CORP	2,200.0000	50,563.21	17.5900	38,698.00
BECTON DICKINSON	600.0000	4,658.85	69.6200	41,772 00
BP AMOCO	400.0000	20,673.50	51.4500	20,580.00
CISCO SYSTEMS, INC.	1,200.0000	21,834.00	21 6000	25,920.00
DANAHER GROUP	500.0000	22,577.84	60.7100	30,355 00
DOMINION RES INC VA NEW	400.0000	10,456.00	33.0800	13,232 00
DOW CHEM CO, INC.	150.0000	6,348.00	21.2900	3,193.50
EXELON CORP.	100.0000	4,679.00	50.0200	5,002.00
EXXON MOBIL CORP.	500.0000	4,347.88	69.1500	34,575 00
FLP GROUP, INC.	100.0000	5,423.61	56.1800	5,618.00
GENERAL ELECTRIC, CO.	800.0000	2,893 66	13 9000	11,120.00
GENZYME CORP	300 0000	21,744 26	55 7100	16,713.00
GOLDAMN SACHS GROUP INC	200 0000	37,824.84	165.4600	33,092.00
HARTFORD FINANCIAL SERVICES GROUP	200.0000	19,442.00	23 7200	4,744.00
ITT INDS, INC. COM.	600.0000	22,890.00	50.0800	30,048.00
ISHARES SP GLB TECH	1,000.0000	56,362.56	50 0800	50,080.00
JOHNSON & JOHNSON	400.0000	24,694.91	60.4400	24,176.00
JOHNSON CTLS, INC. COM	600.0000	14,436.05	24.7700	14,862.00
JP MORGAN CHASE COM	200.0000	7,094.00	43.4600	8,692.00
LOWE'S COMPANIES, INC.	700.0000	17,519.50	21.5000	15,050.00
MCDONALDS CORP	225.0000	10,356.85	56.2400	12,654.00
MICROSOFT CORP.	1,000.0000	26,894.00	24.6500	24,650.00
NATIONAL OILWELL VARCO INC	800.0000	26,868.00	36 3500	29,080.00
NOVARTIS AG-ADR	200.0000	11,603.64	46.4700	9,294.00
ORACLE CORPORATION	2,000.0000	25,116 00	21.8800	43,760.00
PEPSICO, INC.	300.0000	16,454.53	56.6700	17,001.00
PHILIP MORRIS INTERNATIONAL	500.0000	13,097.58	45 7100	22,855.00

THE BAILEY FOUNDATION
CAROLINA FIRST BANK, TRUSTEE
CLINTON, SOUTH CAROLINA

STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS
August 31, 2009

ASSETS

Security Name	Shares / Par	Investment	Unit Price	Market Value
EQUITIES - (Continued)				
PRAXAIR, INC.	500.0000	18,559.00	76.6200	38,310.00
PROCTER & GAMBLE CO.	650.0000	6,207.26	54.1100	35,171 50
SCHLUMBERGER LTD	500.0000	31,433.20	56.2000	28,100 00
STAPLES INCORPORATED	750 0000	17,301.14	21.6100	16,207 50
STRYKER CORP	200.0000	12,455.64	41.4600	8,292 00
T ROWE PRICE GROUP, INC.	800 0000	29,633.14	45 3000	36,240.00
TARGET CORP	300.0000	16,226.45	47.0000	14,100.00
TEVA PHARMACEUTICAL INDUSTRIES ADR	500.0000	21,795.43	51.5000	25,750 00
UNITED TECHNOLOGIES	600.0000	23,037.30	59.3600	35,616.00
VERIZON COMMUNICATION	700.0000	17,372.27	31.0400	21,728.00
WALGREEN CO.	600.0000	1,633.42	33.8800	20,328.00
WALT DISNEY CO	275 0000	9,509.70	26.0400	7,161.00
WELLS FARGO & CO. NEW	900.0000	25,853.00	27.5200	24,768.00
Total EQUITIES	**24,350.0000**	**767,251.11**		**931,640.50**
MUTAL FUNDS				
ISHARES MSCI EAFE INDEX FUND	7,975.0000	357,707.46	52 6800	420,123.00
ISHARES SP 400 GROWTH	1,470.0000	78,348.21	69.5700	102,267.90
ISHARES S&P 400 VALUE	1,600.0000	78,329.12	60.0900	96,144.00
ISHARES SP 600 VALUE	2,365.0000	109,085 63	54.0800	127,899 20
T ROWE PRICE NEW ERA	889.4790	41,300.00	37.8100	33,631.20
T ROWE PRICE SMALL CAP VALUE	380.2840	8,506.96	27.2400	10,358.94
Total MUTAL FUNDS	**14,679.7630**	**673,277.38**		**790,424.24**
CASH EQUIVILANTS				
FEDERATED PRIME MGT OBL. #804	229,901.3500	229,901.35	1.0000	229,901 35
FEDERATED PRIME MGT OBL. #804 (INVESTED INCOME)	53,200.0200	53,200.02	1.0000	53,200 02
Total CASH EQUIVILANTS	**283,101.3700**	**283,101.37**		**283,101.37**
		4,009,893.46		**4,335,424.81**
CASH		-		-
ACCRUED INCOME AT AUGUST 31, 2009		-		**27,538.85**
Total Assets		**4,009,893.46**		**$ 4,362,963.66**
NET ASSETS				
Unrestricted Donated Capital Surplus				**4,362,963.66**
TOTAL LIABILITIES AND NET ASSETS				**$ 4,362,963.66**