



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

2008

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 **OCT 1, 2008**, and ending **SEP 30, 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 JACKSON FOUNDATION	A Employer identification number 76-0554322
	Number and street (or P O box number if mail is not delivered to street address) Room/suite 5005 WOODWAY 200	B Telephone number 713-850-9033
	City or town, state, and ZIP code HOUSTON, TX 77056	C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation	I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 1,402,157 (Part I, column (d) must be on cash basis.)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
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))			N/A	
Revenue				
1 Contributions, gifts, grants, etc., received				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	383.	383.		STATEMENT 2
4 Dividends and interest from securities	37,896.	37,896.		STATEMENT 3
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	-149,891.			STATEMENT 1
b Gross sales price for all assets on line 6a	292,640.			
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	2,771.	2,771.		STATEMENT 4
12 Total. Add lines 1 through 11	-108,841.	41,050.		
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc	2,250.	1,350.		900.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees STMT 5	4,775.	2,387.		2,388.
c Other professional fees STMT 6	51,177.	30,314.		20,864.
17 Interest	197.	197.		0.
18 Taxes STMT 7	740.	740.		0.
19 Depreciation and depletion				
20 Occupancy	1,935.	968.		967.
21 Travel, conferences, and meetings	99.	49.		50.
22 Printing and publications				
23 Other expenses STMT 8	3,420.	1,706.		1,714.
24 Total operating and administrative expenses. Add lines 13 through 23	64,593.	37,711.		26,883.
25 Contributions, gifts, grants paid	73,670.			73,670.
26 Total expenses and disbursements. Add lines 24 and 25	138,263.	37,711.		100,553.
27 Subtract line 26 from line 12	-247,104.			
a Excess of revenue over expenses and disbursements		3,339.		
b Net investment income (if negative, enter -0-)				
c Adjusted net income (if negative, enter -0-)			N/A	

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

Form **990-PF** (2008)

SCANNED MAR 04 2010

RECEIVED
FEB 16 2010
OC DEN UI

Part II Balance Sheets

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

	Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets				
1 Cash - non-interest-bearing	16,177.	10,229.	10,229.	
2 Savings and temporary cash investments	33,894.	7,173.	7,173.	
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				
b Investments - corporate stock				
c Investments - corporate bonds				
11 Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 9	1,617,380.	1,384,755.	1,384,755.	
14 Land, buildings, and equipment basis ▶ Less accumulated depreciation ▶				
15 Other assets (describe ▶ _____)				
16 Total assets (to be completed by all filers)	1,667,451.	1,402,157.	1,402,157.	
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 <input type="checkbox"/> 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 <input checked="" type="checkbox"/>				
and complete lines 27 through 31.				
27 Capital stock, trust principal, or current funds	1,667,451.	1,402,157.		
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	1,667,451.	1,402,157.		
31 Total liabilities and net assets/fund balances	1,667,451.	1,402,157.		

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	1,667,451.
2 Enter amount from Part I, line 27a	2	-247,104.
3 Other increases not included in line 2 (itemize) ▶ _____	3	0.
4 Add lines 1, 2, and 3	4	1,420,347.
5 Decreases not included in line 2 (itemize) ▶ UNREALIZED LOSS	5	18,190.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,402,157.

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 ALLIANCE CAPITAL MANAGEMENT	P	VARIOUS	VARIOUS
b ALLIANCE CAPITAL MANAGEMENT	P	VARIOUS	VARIOUS
c SEE STATEMENT A	P	VARIOUS	VARIOUS
d SEE STATEMENT A	P	VARIOUS	VARIOUS
e ALLIANCE CAPITAL MGMT BASIS ADJ	P	VARIOUS	VARIOUS

(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		125.	-125.
b 402.			402.
c 20,571.		56,986.	-36,415.
d 264,150.		385,420.	-121,270.
e 7,517.			7,517.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(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	
a			-125.
b			402.
c			-36,415.
d			-121,270.
e			7,517.

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	-149,891.
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	N/A

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	104,342.	1,978,618.	.052735
2006	105,705.	2,106,426.	.050182
2005	89,652.	1,971,266.	.045479
2004	101,962.	1,890,597.	.053931
2003	88,595.	1,953,895.	.045343

2 Total of line 1, column (d)	2	.247670
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	.049534
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	1,282,941.
5 Multiply line 4 by line 3	5	63,549.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	33.
7 Add lines 5 and 6	7	63,582.
8 Enter qualifying distributions from Part XII, line 4	8	100,553.

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)

Table with 11 rows for excise tax calculation. Line 1: 33. Line 2: 0. Line 3: 33. Line 4: 0. Line 5: 33. Line 7: 0. Line 9: 33. Line 11: Refunded.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Columns: Question, Yes, No. Row 1a: No. Row 1b: No. Row 1c: No. Row 2: No. Row 3: No. Row 4a: Yes. Row 4b: Yes. Row 5: No. Row 6: Yes. Row 7: Yes. Row 8a: TX. Row 8b: Yes. Row 9: No. Row 10: No.

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)			X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>HTTP://WWW.THEJACKSONFOUNDATION.ORG</u>	X		
14	The books are in care of ▶ <u>CAROL DEASON</u> Telephone no ▶ <u>713-850-9033</u> Located at ▶ <u>5005 WOODWAY, SUITE 200, HOUSTON, TX</u> ZIP+4 ▶ <u>77056</u>			
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.

		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 checked="" type="checkbox"/> Yes <input 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 page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
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 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? <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) 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

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	
3 All other program-related investments See instructions	
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	1,263,990.
b Average of monthly cash balances	1b	38,488.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	1,302,478.
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	1,302,478.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	19,537.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,282,941.
6 Minimum investment return. Enter 5% of line 5	6	64,147.

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

1 Minimum investment return from Part X, line 6	1	64,147.
2a Tax on investment income for 2008 from Part VI, line 5	2a	33.
b Income tax for 2008 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	33.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	64,114.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	64,114.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	64,114.

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	100,553.
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	100,553.
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	33.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	100,520.

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 instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				64,114.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			73,240.	
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 ▶ \$ 100,553.				
a Applied to 2007, but not more than line 2a			73,240.	
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				27,313.
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				36,801.
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)

N/A

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 4942(j)(3) or 4942(j)(5)

Table with 5 columns: (a) 2008, (b) 2007, (c) 2006, (d) 2005, (e) Total. Rows include 2a-e (Qualifying distributions) and 3a-c (Alternative tests).

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	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)				
<p>a <i>Paid during the year</i></p> <p>SEE STATEMENT B ATTACHED</p>				73,670.
Total				▶ 3a 73,670.
<p>b <i>Approved for future payment</i></p> <p>NONE</p>				
Total				▶ 3b 0.

Cypress Asset Management
REALIZED GAINS AND LOSSES
THE JACKSON FOUNDATION
From 10-01-08 Through 09-30-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
11-20-01	10-10-08	500 0000	MORGAN STANLEY	24,101	3,726		-20,375
05-15-02	10-10-08	400 0000	MORGAN STANLEY	16,558	2,981		-13,577
12-22-06	10-10-08	100 0000	PRINCIPAL FINANCIAL GROUP	5,872	1,353		-4,519
12-22-06	10-10-08	250 0000	PRINCIPAL FINANCIAL GROUP	14,679	3,381		-11,298
01-18-07	10-10-08	100 0000	PRINCIPAL FINANCIAL GROUP	6,061	1,353		-4,708
07-29-08	10-10-08	600 0000	PROSHARES ULTRA FINANCIALS	12,059	4,498	-7,561	
07-29-08	10-10-08	250 0000	PROSHARES ULTRA FINANCIALS	5,024	1,874	-3,150	
07-29-08	10-10-08	150 0000	PROSHARES ULTRA FINANCIALS	3,015	1,124	-1,890	
11-11-04	10-16-08	700 0000	ALLIANCEBERNSTEIN	27,651	16,853		-10,798
02-01-05	10-16-08	200 0000	ALLIANCEBERNSTEIN	9,012	4,815		-4,197
07-29-08	11-13-08	90 0000	APPLE COMPUTER	14,280	7,834	-6,447	
07-29-08	11-13-08	10 0000	APPLE COMPUTER	1,587	870	-716	
05-19-99	11-13-08	500 0000	ANALOG DEVICES	10,297	9,371		-926
05-19-99	11-13-08	100 0000	ANALOG DEVICES	2,059	1,874		-185
11-15-00	11-13-08	400 0000	ANALOG DEVICES	26,420	7,496		-18,924
12-08-00	11-13-08	200 0000	APPLIED MATERIALS	4,407	1,999		-2,408
01-07-00	11-13-08	500 0000	CITIGROUP	18,772	4,256		-14,516
01-10-08	11-19-08	300 0000	MERRILL LYNCH	15,244	3,278	-11,966	
01-24-08	11-19-08	100 0000	MERRILL LYNCH	5,777	1,093	-4,684	
03-29-06	12-15-08	200 0000	HALLIBURTON	7,348	3,441		-3,907
04-05-06	12-15-08	200 0000	HALLIBURTON	7,576	3,441		-4,135
04-05-06	12-15-08	200 0000	HALLIBURTON	7,575	3,441		-4,134
05-30-07	02-11-09	200 0000	CATERPILLAR	15,604	6,197		-9,407
08-12-05	02-11-09	100 0000	UNITED PARCEL SERVICE	7,323	4,507		-2,816
05-15-02	05-27-09	400 0000	CHEVRON	17,703	26,422		8,718
05-15-02	05-27-09	100 0000	CHEVRON	4,426	6,605		2,179
05-15-02	05-27-09	100 0000	CHEVRON	4,426	6,605		2,179
01-04-00	05-27-09	300 0000	MEDTRONIC	10,476	10,203		-273
01-07-00	05-27-09	300 0000	MEDTRONIC	11,956	10,203		-1,753
01-07-00	05-27-09	200 0000	MEDTRONIC	7,970	6,802		-1,169
08-12-05	05-27-09	300 0000	UNITED PARCEL SERVICE	21,970	15,285		-6,686
12-27-07	05-27-09	500 0000	VARIAN MEDICAL SYSTEMS	26,418	17,976		-8,442
03-06-02	05-29-09	500 0000	QUALCOMM	9,964	21,640		11,676
05-15-02	08-24-09	100 0000	CHEVRON	4,426	7,066		2,640
05-04-04	08-24-09	300 0000	EMERSON ELECTRIC	8,916	10,947		2,031
01-10-08	08-24-09	200 0000	GENZYME	15,674	10,745		-4,929

Cypress Asset Management, Inc.'s Statement of Gains and Losses is based on information supplied to Cypress by clients, brokers, custodians or other third party entities. We rely on this information in preparing the Statement of Gains and Losses and we cannot certify the accuracy of the underlying information. The Statement of Gains and Losses is not a tax reporting document and is not intended to imply tax advice. You must consult your own tax professional and your own original records to verify the accuracy of the information.

Cypress Asset Management
REALIZED GAINS AND LOSSES
THE JACKSON FOUNDATION
From 10-01-08 Through 09-30-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
01-07-00	08-24-09	100 0000	JOHNSON&JOHNSON	4,847	6,102		1,255
03-19-99	08-24-09	150 0000	PEPSICO	5,991	8,603		2,612
11-23-99	08-24-09	50 0000	PEPSICO	1,822	2,868		1,046
05-29-07	08-24-09	375 0000	XTO ENERGY	17,118	15,591		-1,527
TOTAL GAINS						0	34,338
TOTAL LOSSES						-36,415	-155,607
TOTAL REALIZED GAIN/LOSS				442,405	284,721	-36,415	-121,270
		-157,685					

Cypress Asset Management, Inc.'s Statement of Gains and Losses is based on information supplied to Cypress by clients, brokers, custodians or other third party entities. We rely on this information in preparing the Statement of Gains and Losses and we cannot certify the accuracy of the underlying information. The Statement of Gains and Losses is not a tax reporting document and is not intended to imply tax advice. You must consult your own tax professional and your own original records to verify the accuracy of the information.

THE JACKSON FOUNDATION

76-0554322

PART XV SUPPLEMENTARY INFORMATION (CONTINUED)

LINE 3a GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR 10/01/08-9/30/09

RECIPIENT NAME AND ADDRESS	RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF CONTRIBUTION	AMOUNT
BOYS AND GIRLS COUNTRY 18806 ROBERTS ROAD HOCKLEY, TEXAS 77447	NONE		CHARITABLE	5,000
THE CHINQUAPIN SCHOOL 2615 E. WALLISVILLE RD. HIGHLANDS, TX 77562	NONE		EDUCATIONAL	5,500
THE PERIWINKLE FOUNDATION 3000 RICHMOND AVE. HOUSTON, TX 77098	NONE		HEALTH	5,000
THE ARBOR SCHOOL 1635 BLALOCK HOUSTON, TEXAS 77080	NONE		EDUCATIONAL	5,070
THE MONARCH SCHOOL 1231 WIRT ROAD HOUSTON, TEXAS 77055	NONE		EDUCATIONAL	3,000
ODYSSEY HOUSE TEXAS 5629 GRAPEVINE HOUSTON, TX 77085	NONE		HEALTH	5,000
CHILD ADVOCATES, INC. 2401 PORTSMOUTH, SUITE 210 HOUSTON, TX 77098	NONE		CHARITABLE	4,000
ARCHWAY ACADEMY P.O. BOX 4356 HOUSTON, TX 77210-4356	NONE		EDUCATION	6,600
YMCA/LEE HIGH SCHOOL INFANT/TOD PROG. 1600 LOUISIANA HOUSTON, TX. 77002	NONE		CHARITABLE	3,000
DENVER HARBOR CLINIC 424 HAHLO STREET HOUSTON, TX 77020-3022	NONE		HEALTH	2,000
CASA de ESPERANZA de los NINOS P.O. BOX 66581 HOUSTON, TX 77266-6581	NONE		CHARITABLE	5,000
TEACH FOR AMERICA 4669 SOUTHWEST FRWY, STE. 600 HOUSTON, TX 77027	NONE		EDUCATIONAL	5,000
CHILDBUILDERS 3800 BUFFALO SPEEDWAY, SUITE 310 HOUSTON, TX 77098	NONE		CHARITABLE	1,500

RECIPIENT NAME AND ADDRESS	RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF CONTRIBUTION	AMOUNT
YELLOWSTONE ACADEMY 3000 TRULLEY ST. HOUSTON, TX 77004	NONE		EDUCATION	2,000
INTERFAITH CARING MINISTRIES C/O GREATER HOUSTON COMMUNITY FOUNDATION 4550 POST OAK PLACE, SUITE 100 HOUSTON, TX 77027	NONE		CHARITABLE	1,000
FT. BEND COUNTY WOMEN'S CENTER P O. BOX 183 RICHMOND, TX 77406	NONE		CHARITABLE	3,500
BROOKSHIRE EMS P.O. BOX 928 BROOKSHIRE, TEXAS 77423	NONE		HEALTH	500
ASSOCIATION OF SMALL FOUNDATIONS 4905 DEL RAY AVENUE, STE. 308 BETHESDA, MD 20814	NONE		CHARITABLE	1,000
COUNCIL ON ALCOHOL & DRUGS, HOUSTON 303 JACKSON HILL STREET HOUSTON, TX 77007	NONE		HEALTH	5,000
COVENANT HOUSE HOUSTON 1111 LOVETT BOULEVARD HOUSTON, TX 77006	NONE		CHARITABLE	4,000
CORNERSTONE RECOVERY PROGRAM 6221 MAIN ST HOUSTON, TX 77030	NONE		HEALTH	1,000
TOTAL				73,670

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED PURCHASED	(F) DATE ACQUIRED VARIOUS	(F) DATE SOLD VARIOUS
SEE STATEMENT A	264,150.	385,420.	0.		0.	-121,270.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED PURCHASED	(F) DATE ACQUIRED VARIOUS	(F) DATE SOLD VARIOUS
ALLIANCE CAPITAL MGMT BASIS ADJ	7,517.	0.	0.		0.	7,517.

CAPITAL GAINS DIVIDENDS FROM PART IV 0.

TOTAL TO FORM 990-PF, PART I, LINE 6A -149,891.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	AMOUNT
ALLIANCE CAPITAL MANAGEMENT	188.
EL PASO PIPELINE PARTNERS, LP	72.
ENTERPRISE PRODUCTS PARTNERS	21.
KINDER MORGAN ENERGY PARTNERS	87.
SCHWAB MM	15.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	383.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 3

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ALLIANCE CAPITAL MANAGEMENT	76.	0.	76.
CYPRESS ASSET MGMT INVESTMENTS	37,787.	0.	37,787.
ENTERPRISE PRODUCTS PARTNERS, LP	2.	0.	2.
KINDER MORGAN ENERGY PARTNERS	31.	0.	31.
TOTAL TO FM 990-PF, PART I, LN 4	37,896.	0.	37,896.

FORM 990-PF OTHER INCOME STATEMENT 4

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
ALLIANCE CAPITAL MANAGEMENT	2,769.	2,769.	
DUNCAN ENERGY PARTNERS	2.	2.	
TOTAL TO FORM 990-PF, PART I, LINE 11	2,771.	2,771.	

FORM 990-PF ACCOUNTING FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	4,775.	2,387.		2,388.
TO FORM 990-PF, PG 1, LN 16B	4,775.	2,387.		2,388.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BOOKKEEPING	41,727.	20,864.		20,864.
INVESTMENT FEES	9,450.	9,450.		0.
TO FORM 990-PF, PG 1, LN 16C	51,177.	30,314.		20,864.

FORM 990-PF	TAXES			STATEMENT 7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	605.	605.		0.
FEDERAL TAX	135.	135.		0.
TO FORM 990-PF, PG 1, LN 18	740.	740.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
POSTAGE & DELIVERY	54.	27.		27.
SUPPLIES	90.	45.		45.
TELEPHONE	964.	482.		482.
FAX LINE	373.	187.		186.
COMPUTER INTERNET	1,267.	634.		633.
CHARITABLE CONTRIBUTIONS	8.	0.		8.
MEMBERSHIPS	495.	247.		248.
SUBSCRIPTIONS	112.	56.		56.
MEALS & ENTERTAINMENT	57.	28.		29.
TO FORM 990-PF, PG 1, LN 23	3,420.	1,706.		1,714.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	9
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
CYPRESS ASSET MGMT	FMV	1,264,693.	1,264,693.
ENTERPRISE PRODUCTS PARTNERS, LP	FMV	45,312.	45,312.
ALLIANCE CAPITAL MANAGEMENT HOLDING	FMV	0.	0.
KINDER MORGAN ENERGY PARTNERS, LP	FMV	54,020.	54,020.
EL PASO PIPELINE PARTNERS	FMV	20,730.	20,730.
TOTAL TO FORM 990-PF, PART II, LINE 13		1,384,755.	1,384,755.

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
DOUGLAS BLAKE JACKSON P.O. BOX 57 BELLAIRE, TX 77402	DIRECTOR 2.00	0.	0.	0.
DON BLAIR P.O. BOX 57 BELLAIRE, TX 77402	DIRECTOR 1.00	450.	0.	0.
PAUL JORNAYVAZ P.O. BOX 57 BELLAIRE, TX 77402	DIRECTOR 1.00	600.	0.	0.
TOM MARTIN P.O. BOX 57 BELLAIRE, TX 77402	DIRECTOR 4.00	600.	0.	0.
CAROL DEASON P.O. BOX 57 BELLAIRE, TX 77402	DIRECTOR 5.00	600.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		2,250.	0.	0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 11

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

THE JACKSON FOUNDATION
5005 WOODWAY, SUITE 200
HOUSTON, TX 77056

TELEPHONE NUMBER

713-850-9033

FORM AND CONTENT OF APPLICATIONS

A WRITTEN LETTER OF INQUIRY CAN BE MADE TO THE FOUNDATION AT ANY TIME. THEY SHOULD INCLUDE THE AMOUNT AND PURPOSE OF THE GRANT, AS WELL AS GENERAL INFORMATION ON THE ORGANIZATION. IF THE LETTER OF INQUIRY INDICATES AN AREA IN WHICH THE FOUNDATION MAY BE INTERESTED IN ASSISTING, THE FOUNDATION WILL REQUEST A FORMAL PROPOSAL.

ANY SUBMISSION DEADLINES

ALL PROPOSALS ARE DUE APRIL 30TH OF EACH YEAR. AWARD DECISIONS ARE MADE EACH SEPTEMBER.

RESTRICTIONS AND LIMITATIONS ON AWARDS

INDIVIDUAL GRANTS WILL NOT EXCEED \$10,000. GRANTS MUST BE USED WITHIN ONE YEAR OF RECEIPT. GRANTS MAY NOT BE USED FOR POLITICAL ACTIVITIES, SOCIAL ACTIVITIES, ENDOWMENTS, INDIVIDUAL NEEDS, OR TO SERVICE DEBT. FURTHER, THE FOUNDATION WILL NOT AWARD GRANTS TO A SINGLE ORGANIZATION FOR MORE THAN FIVE CONSECUTATIVE YEARS.