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

2009

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

For calendar year 2009, or tax year beginning , and ending

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation
THE VARFLEX EDUCATIONAL FOUNDATION II

Number and street (or P O box number if mail is not delivered to street address) Room/suite
512 WEST COURT STREET

City or town, state, and ZIP code
ROME, NY 13440

A Employer identification number
16-6552465

B Telephone number
315-336-4400

C If exemption application is pending, check here ☐

D 1. Foreign organizations, check here ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ☐

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

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16)
\$ 175,138. (Part I, column (d) must be on cash basis.)

J Accounting method: ☒ Cash ☐ Accrual
☐ Other (specify) _____

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)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> If the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		6,038.	6,038.		
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<3,485.>			
b Gross sales price for all assets on line 6a		17,007.			
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		2,553.	6,038.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees					
c Other professional fees		1,292.	1,292.		0.
17 Interest					
18 Fees		155.	31.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses					
24 Total operating and administrative expenses. Add lines 13 through 23		1,447.	1,323.		0.
25 Contributions, gifts, grants paid		20,000.			20,000.
26 Total expenses and disbursements. Add lines 24 and 25		21,447.	1,323.		20,000.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<18,894.>			
b Net investment income (if negative, enter -0-)			4,715.		
c Adjusted net income (if negative, enter -0-)				N/A	

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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	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	539.	124.	124.
	2 Savings and temporary cash investments	8,555.	5,860.	5,860.
	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 4	83,883.	74,173.	80,077.
	b Investments - corporate stock STMT 5	0.	1,456.	1,557.
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 6	113,297.	105,767.	87,519.	
14 Land, buildings, and equipment; basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	206,274.	187,380.	175,138.	
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	206,274.	206,274.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	0.	<18,894.>		
30 Total net assets or fund balances	206,274.	187,380.		
31 Total liabilities and net assets/fund balances	206,274.	187,380.		

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	206,274.
2 Enter amount from Part I, line 27a	2	<18,894.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	187,380.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	187,380.

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 SEE ATTACHED		P	VARIOUS	VARIOUS
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 17,007.		20,492.	<3,485.>
b			
c			
d			
e			

(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			<3,485.>
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	<3,485.>
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))
2008	23,026.	213,365.	.107918
2007	19,541.	231,102.	.084556
2006	15,612.	226,043.	.069067
2005	0.	17,660.	.000000
2004	0.	0.	.000000

2 Total of line 1, column (d)	2	.261541
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	.052308
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	171,596.
5 Multiply line 4 by line 3	5	8,976.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	47.
7 Add lines 5 and 6	7	9,023.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	20,000.

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 <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	47.
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	47.
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	47.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7		0.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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		47.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax <input checked="" type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b 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		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 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.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> NY		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>CHARLES J. SCHOFF, TRUSTEE</u> Telephone no. ► <u>315-336-4400</u> Located at ► <u>512 WEST COURT STREET, ROME, NY</u> ZIP+4 ► <u>13440</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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	1b
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 2009?		1c
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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If "Yes," list the years ► _____	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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 2009 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 2009.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a
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 2009?		4b

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ 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 "Yes" to 6b, 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
DOROTHY G. GRIFFIN 8209 PHILIPS ROAD ROME, NY 13440	TRUSTEE 0.00	0.	0.	0.
WILLIAM L. GRIFFIN 1002 JERVIS AVENUE ROME, NY 13440	TRUSTEE 0.00	0.	0.	0.
CHARLES J. SCHOFF P.O. BOX 4460 ROME, NY 13442	TRUSTEE 0.00	0.	0.	0.
WARREN E. WILLIAMS 5086 OSWEGO ROAD ROME, NY 13440	TRUSTEE 0.00	0.	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

Form 990-PF (2009)

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	166,670.
b	Average of monthly cash balances	1b	7,539.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	174,209.
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	174,209.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	2,613.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	171,596.
6	Minimum investment return. Enter 5% of line 5	6	8,580.

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	8,580.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	47.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	47.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	8,533.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	8,533.
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	8,533.

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	20,000.
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	20,000.
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	47.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	19,953.

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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				8,533.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006	4,111.			
d From 2007	8,104.			
e From 2008	12,506.			
f Total of lines 3a through e	24,721.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$ 20,000.				
a Applied to 2008, 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 2009 distributable amount				8,533.
e Remaining amount distributed out of corpus	11,467.			
5 Excess distributions carryover applied to 2009 (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	36,188.			
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 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				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 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	36,188.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006	4,111.			
c Excess from 2007	8,104.			
d Excess from 2008	12,506.			
e Excess from 2009	11,467.			

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 2009, enter the date of the ruling

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

Part XVII

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

- | | | 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 | | X |
| | (2) Other assets | | X |
| b | Other transactions: | | |
| | (1) Sales of assets to a noncharitable exempt organization | | X |
| | (2) Purchases of assets from a noncharitable exempt organization | | X |
| | (3) Rental of facilities, equipment, or other assets | | X |
| | (4) Reimbursement arrangements | | X |
| | (5) Loans or loan guarantees | | X |
| | (6) Performance of services or membership or fundraising solicitations | | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | | 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. | | |


[illegible]

- 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		

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.

Sign Here

 Signature of officer or trustee		04.26.10 Date	TRUSTEE Title	
Paid Preparer's Use Only	Preparer's signature	Date	Check if self- employed <input type="checkbox"/>	Preparer's identifying number
	Firm's name (or yours if self-employed), address, and ZIP code		EIN Phone no.	

Form **990-PF** (2009)

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES		STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT	
NBT - SEE ATTACHED - DIVIDEND - NON-QUALIFIED	94.	0.	94.	
NBT - SEE ATTACHED - DIVIDEND - QUALIFIED	1,667.	0.	1,667.	
NBT - SEE ATTACHED - INTEREST - OTHER	2,381.	0.	2,381.	
NBT - SEE ATTACHED - INTEREST - US GOVT	1,896.	0.	1,896.	
TOTAL TO FM 990-PF, PART I, LN 4	6,038.	0.	6,038.	

FORM 990-PF	OTHER PROFESSIONAL FEES		STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
NBT, BANK - INVESTMENT SERVICES	1,303.	1,303.		0.
NBT, BANK - ADJ.	<11.>	<11.>		0.
TO FORM 990-PF, PG 1, LN 16C	1,292.	1,292.		0.

FORM 990-PF	TAXES		STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	74.	0.		0.
NEW YORK STATE FILING FEES	50.	0.		0.
FOREIGN	31.	31.		0.
TO FORM 990-PF, PG 1, LN 18	155.	31.		0.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	4
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
GOVERNMENT BONDS	X		74,173.	80,077.
TOTAL U.S. GOVERNMENT OBLIGATIONS			74,173.	80,077.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			74,173.	80,077.

FORM 990-PF	CORPORATE STOCK	STATEMENT	5
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON STOCK	1,456.	1,557.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,456.	1,557.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	6
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
EQUITY MUTUAL FUNDS	FMV	105,767.	87,519.
TOTAL TO FORM 990-PF, PART II, LINE 13		105,767.	87,519.

THE VARFLEX EDUCATIONAL FOUNDATION II SCHOLARSHIP PROGRAM

GUIDELINES FOR SCHOOL YEAR 2009-2010

The Varflex Educational Foundation II Scholarship Program is a competitive program for students about to enter, or already attending, college. In order to qualify for consideration, applicants must meet the following criteria:

- 1. Be, the son or daughter, or the legally adopted son or daughter, of an employee of the Varflex Corporation and be a candidate for high school graduation in June of 2009;**
- 2. Or, if not the son or daughter, or the legally adopted son or daughter, of a Varflex employee, be a candidate for high school graduation in June of 2009 from one of the following high schools: Adirondack Central High School, Camden High School, New York State School for the Deaf in Rome NY, Oriskany Central School, Rome Catholic High School, Rome Free Academy, Verona-Vernon-Sherrill High School, and Westmoreland High School;**
- 3. Or either, 1) be the son or daughter, or the legally adopted son or daughter, of an employee of the Varflex Corporation, or 2) if not the son or daughter, or the legally adopted son or daughter of a Varflex employee, be a graduate of one of the aforementioned high schools, and be currently enrolled and in good academic standing at an accredited college or university with every intention of continuing as an undergraduate at this, or at another, accredited post-secondary institution;**
- 4. And have completed all application procedures and submitted all required materials on time.**

Applications are available, as of January 1, 2009, from either from the Personnel Office of the Varflex Corporation at 512 West Court Street, Rome, NY 13440 or from the Guidance Office of the following high schools: Adirondack Central High School, Camden High School, Oriskany Central School, New York State School for the Deaf in Rome, NY, Rome Free Academy, Rome Catholic High School, Verona-Vernon-Sherrill High School, and Westmoreland High School.

The absolute deadline for the submission of all applications and support documents is April 17, 2009.

The Scholarship Committee of The Varflex Educational Foundation II makes the final selection of recipients. The Committee will notify candidates of its decision on or about June 15, 2009. The criteria used by the Scholarship Committee are both academic excellence and financial need. Finalists may be required to schedule an interview with the Scholarship Committee.

THE VARFLEX EDUCATIONAL FOUNDATION II SCHOLARSHIP PROGRAM

SCHOOL/COLLEGE CERTIFICATION

Applicant is to fill out **Section I** of this form and is to then submit the form and one of the self-addressed envelopes to the high school guidance counselor or the college registrar for completion of **Section II**. **The guidance counselor or college registrar should upon completion, mail the form and a photocopy of the applicant's academic transcript to the Scholarship Program Executive Director, as indicated below.**

Section I To be filled out by applicant:

I, _____, am applying for a scholarship from The Varflex Educational
(Applicant's Name)
Foundation II Scholarship Program. I hereby request and authorize the appropriate school/college
official to certify my attendance and current academic standing at

_____, and provide the Scholarship Committee with the information
(Name of School or College)
requested below, and an official copy of my most recent academic transcript.

(Applicant's Signature)

(Date)

Section II To be filled out by high school guidance counselor or college registrar:

NOTE: PLEASE ATTACH A PHOTOCOPY OF THE APPLICANT'S MOST RECENT ACADEMIC TRANSCRIPT

The applicant whose name appears above ☐ is ☐ is not currently enrolled and ☐ is ☐ is not
in good academic standing at _____

(Name of School or College)

in _____, _____, _____
(City) (State) (Zip)

CUM. GPA _____ Rank in class _____ Size of class _____

Current Status: High School: Sr. ☐ College: Fr. ☐ So. ☐ Jr. ☐ Sr. ☐

If currently enrolled in college, anticipated year of graduation: _____

(School/College Official's Signature)

(Date)

THIS FORM, WHEN COMPLETED BY THE APPROPRIATE SCHOOL/COLLEGE OFFICIAL, MUST BE MAILED BY APRIL 17, 2009 TO:

The Varflex Educational Foundation II
Scholarship Program
Daniel Labeille, Executive Director
P.O. Box 259
Skaneateles, NY 13152

**The Varflex Educational Foundation II
Scholarship Program
Daniel Labeille, Executive Director
P.O. Box 259
Skaneateles, NY 13152**

THE VARFLEX EDUCATIONAL FOUNDATION II SCHOLARSHIP PROGRAM

APPLICATION PROCEDURES FOR THE 2009-2010 SCHOOL YEAR

Read the guidelines and the application procedures for this program carefully. If you meet the criteria for eligibility and decide to apply for consideration, be certain that you submit, in a timely manner, all materials requested to The Varflex Educational Foundation II Scholarship Program Executive Director.

IMPORTANT NOTICE

- **Candidates are required to submit a photocopy of the 2009-2010 Federal Student Aid Report (all pages).** This report is available from the Department of Education to all students completing the **Free Application for Federal Student Aid (FAFSA)**. Forms for this federal application will be available in high school guidance offices and in college financial aid offices as of January 1, 2009. It is also available online @ www.fafsa.ed.gov/
PLEASE NOTE: The Varflex Educational Foundation II Scholarship Committee will not consider any application that fails to include with it a photocopy of all pages of the applicant's 2009-2010 Student Aid Report (SAR) – available to the applicant online or by mail.

APPLICATION INSTRUCTIONS

- Complete and mail the **Varflex Application Form (VEF-010)** together with a photocopy of all pages of your 2009-2010 Student Aid Report (SAR) to the Scholarship Program of The Varflex Educational Foundation II using one of the enclosed self-addressed envelopes **no later than April 17, 2009**. **Do NOT** send us the **Free Application for Federal Student Aid (FAFSA)** but rather the **SAR** and be sure that it includes the **EFC (Estimated Family Contribution)**. If you apply online, you will need to request that the SAR include the EFC in the report the Education Department mails to you.
- Complete Section I of the **School/College Certification Form (VFE-020)** and forward it, together with one of the enclosed self-addressed envelopes, to the appropriate high school or college official. Have that high school or college official complete the form and ask him/her to mail it to the Scholarship Program Executive Director no later than April 17, 2009.
- Two self-addressed envelopes are included with this application form. You are to give one to the school official who is to return required materials (**form and transcript**) to the Scholarship Program Executive Director. We suggest that, as a courtesy, you attach a first class stamp to this envelope. You are to use the other envelope to mail the completed application, **Form VEF-010, together with a copy of all pages of the 2009-2010 Student Aid Report (SAR).**
- While submitting letters of recommendation is optional, it is encouraged. Should the applicant decide to exercise that option, he or she should limit the letters to two, and the letters must not be requested of members of the applicant's family but, rather, of teachers and/or employers. Persons writing the letters of recommendation should send them directly to:

**The Varflex Educational Foundation II
Scholarship Program
Daniel Labeille, Executive Director
P.O. Box 259
Skaneateles, NY 13152**

January 26, 2009

Notice

To—All Employees

Re: Varflex Scholarship Fund



Varflex Scholarship Fund applications for the 2009-2010 school year are now available. If you are interested in applying for yourself or a child, please see Brian O'Hara in the Human Resource Department.

The deadline to submit the application is April 17, 2009. It is recommended that you submit the application prior to April 17th so that you will have time to resubmit any changes or additional information required.

THE VARFLEX EDUCATIONAL FOUNDATION II SCHOLARSHIP PROGRAM

GUIDELINES FOR SCHOOL YEAR 2008-2009

The Varflex Educational Foundation II Scholarship Program is a competitive program for students about to enter, or already attending, college. In order to qualify for consideration, applicants must meet the following criteria:

- 1. Be, the son or daughter, or the legally adopted son or daughter, of an employee of the Varflex Corporation and be a candidate for high school graduation in June of 2008;**
- 2. Or, if not the son or daughter, or the legally adopted son or daughter, of a Varflex employee, be a candidate for high school graduation in June of 2008 from one of the following high schools: Adirondack Central High School, Camden High School, New York State School for the Deaf in Rome NY, Oriskany Central School, Rome Catholic High School, Rome Free Academy, Verona-Vernon-Sherrill High School, and Westmoreland High School;**
- 3. Or either, 1) be the son or daughter, or the legally adopted son or daughter, of an employee of the Varflex Corporation, or 2) if not the son or daughter, or the legally adopted son or daughter of a Varflex employee, be a graduate of one of the aforementioned high schools, and be currently enrolled and in good academic standing at an accredited college or university with every intention of continuing as an undergraduate at this, or at another, accredited post-secondary institution;**
- 4. And have completed all application procedures and submitted all required materials on time.**

Applications are available, as of January 1, 2008, from either from the Personnel Office of the Varflex Corporation at 512 West Court Street, Rome, NY 13440 or from the Guidance Office of the following high schools: Adirondack Central High School, Camden High School, Oriskany Central School, New York State School for the Deaf in Rome, NY, Rome Free Academy, Rome Catholic High School, Verona-Vernon-Sherrill High School, and Westmoreland High School.

The absolute deadline for the submission of all applications and support documents is April 18, 2008.

The Scholarship Committee of The Varflex Educational Foundation II makes the final selection of recipients. The Committee will notify candidates of its decision on or about June 15, 2008. The criteria used by the Scholarship Committee are both academic excellence and financial need. Finalists may be required to schedule an interview with the Scholarship Committee.

THE VARFLEX EDUCATIONAL FOUNDATION II SCHOLARSHIP PROGRAM

APPLICATION PROCEDURES FOR THE 2008-2009 SCHOOL YEAR

Read the guidelines and the application procedures for this program carefully. If you meet the criteria for eligibility and decide to apply for consideration, be certain that you submit, in a timely manner, all materials requested to The Varflex Educational Foundation II Scholarship Program Executive Director.

IMPORTANT NOTICE

- Candidates are required to submit a photocopy of the 2008-2009 Federal Student Aid Report (all pages). This report is available from the Department of Education to all students completing the Free Application for Federal Student Aid (FAFSA). Forms for this federal application will be available in high school guidance offices and in college financial aid offices as of January 1, 2008. It is also available online @ www.fafsa.ed.gov/
PLEASE NOTE: The Varflex Educational Foundation II Scholarship Committee will not consider any application that falls to include with it a photocopy of all pages of the applicant's 2008-2009 Student Aid Report (SAR) – available to the applicant online or by mail.

APPLICATION INSTRUCTIONS

- Complete and mail the Varflex Application Form (VEF-010) together with a photocopy of all pages of your 2008-2009 Student Aid Report (SAR) to the Scholarship Program of The Varflex Educational Foundation II using one of the enclosed self-addressed envelopes no later than April 18, 2008. Do **NOT** send us the Free Application for Federal Student Aid (FAFSA) but rather the SAR and be sure that it includes the EFC (Estimated Family Contribution). If you apply online, you will need to request that the SAR include the EFC in the report the Education Department mails to you.
- Complete Section I of the School/College Certification Form (VFE-020) and forward it, together with one of the enclosed self-addressed envelopes, to the appropriate high school or college official. Have that high school or college official complete the form and ask him/her to mail it to the Scholarship Program Executive Director no later than April 18, 2008.
- Two self-addressed envelopes are included with this application form. You are to give one to the school official who is to return required materials (form and transcript) to the Scholarship Program Executive Director. We suggest that, as a courtesy, you attach a first class stamp to this envelope. You are to use the other envelope to mail the completed application, Form VEF-010, together with a copy of all pages of the 2008-2009 Student Aid Report (SAR).
- While submitting letters of recommendation is optional, it is encouraged. Should the applicant decide to exercise that option, he or she should limit the letters to two, and the letters must not be requested of members of the applicant's family but, rather, of teachers and/or employers. Persons writing the letters of recommendation should send them directly to:

The Varflex Educational Foundation II
Scholarship Program
Daniel Labelle, Executive Director
P.O. Box 259
Skaneateles, NY 13152

Applicant is to complete this form and mail it together with a photocopy of his/her 2008-2009 Federal Student Aid Report (all pages) to the Scholarship Program, in the self-addressed envelope.

Permanent Home Address: _____
 (Street) (City)
 _____ , _____
 (State) (Zip) (Home Phone No.)

_____, _____, _____, _____
(Street & No.) (City) (State) (Zip Code)
Your current mailing address is effective until _____.

List your first two choices, in order of priority, of colleges to which you are applying and provide the other requested information. It is essential that applicants provide the projected costs for the 2008-2009 School Year as accurately as possible. This information is available from the colleges to which you are applying.

NOTE: The Scholarship Committee reserves the right to review and/or adjust scholarship awards based on student's confirmation of attendance if the actual costs of tuition, room, and board are significantly different from the information provided in the application.

I, the undersigned, certify that the information provided herein, and on the accompanying photocopy of the Federal Student Aid Report, is true and correct to the best of my knowledge. If requested by the Scholarship Selection Committee, I agree to give proof of the information I have provided. I realize that this proof may include of copy of my 2007 federal and state income tax returns and/or that of my parents.

(Date)

**The Varflex Educational Foundation II
Scholarship Program
Daniel Labelle, Executive Director
P.O. Box 259
Skaneateles, NY 13152**

THE VARFLEX EDUCATIONAL FOUNDATION II SCHOLARSHIP PROGRAM

SCHOOL/COLLEGE CERTIFICATION

Applicant is to fill out Section I of this form and is to then submit the form and one of the self-addressed envelopes to the high school guidance counselor or the college registrar for completion of Section II. The guidance counselor or college registrar should upon completion, mail the form and a photocopy of the applicant's academic transcript to the Scholarship Program Executive Director, as indicated below.

Section I To be filled out by applicant:

I, _____, am applying for a scholarship from The Varflex Educational
(Applicant's Name)
Foundation II Scholarship Program. I hereby request and authorize the appropriate school/college official to certify my attendance and current academic standing at

_____, and provide the Scholarship Committee with the information
(Name of School or College)
requested below, and an official copy of my most recent academic transcript.

(Applicant's Signature)

(Date)

Section II To be filled out by high school guidance counselor or college registrar:

NOTE: PLEASE ATTACH A PHOTOCOPY OF THE APPLICANT'S MOST RECENT ACADEMIC TRANSCRIPT

The applicant whose name appears above ☐ is ☐ is not currently enrolled and ☐ is ☐ is not
in good academic standing at _____
(Name of School or College)

in _____, _____, _____
(City) (State) (Zip)

CUM. GPA _____ Rank in class _____ Size of class _____

Current Status: High School: Sr. ☐ College: Fr. ☐ So. ☐ Jr. ☐ Sr. ☐

If currently enrolled in college, anticipated year of graduation: _____

(School/College Official's Signature)

(Date)

THIS FORM, WHEN COMPLETED BY THE APPROPRIATE SCHOOL/COLLEGE OFFICIAL, MUST BE MAILED BY APRIL 18, 2008 TO:

The Varflex Educational Foundation II
Scholarship Program
Daniel Labelle, Executive Director
P.O. Box 259
Skaneateles, NY 13152

Tax ID Number:

16-6552465

VARFLEX EDUCATIONAL FOUNDATION II

Scholarships Awarded

Date	Description	Payments	Receipts
07/23/2009	Other Disbursements UTICA COLLEGE 2009 SCHOLARSHIP RECEIPT ERMIN ALJUKIC SS # 096 88 6395	1,000.00	
07/23/2009	Other Disbursements MOHAWK VALLEY COMMUNITY COLLEGE 2009 SCHOLARSHIP RECEIPT KATELYN C BYRNE SS # 102 78 2719	1,000.00	
07/23/2009	Other Disbursements MOHAWK VALLEY COMMUNITY COLLEGE 2009 SCHOLARSHIP RECEIPT SAMANTHA A GLEBA SS # 096 78 2811	1,000.00	
07/23/2009	Other Disbursements MOHAWK VALLEY COMMUNITY COLLEGE SCHOLARSHIP RECIPIENT TESS M NIZNIK SS # 100 80 3774	1,000.00	
07/23/2009	Other Disbursements NAZARETH COLLEGE 2009 SCHOLARSHIP RECEIPT KELSEY C EVANS SS # 113 78 3596	1,000.00	
07/23/2009	Other Disbursements ST JOHN FISHER COLLEGE 2009 SCHOLARSHIP RECEIPT COLLEEN R FOOSE SS # 107 78 3364	500.00	
07/23/2009	Other Disbursements ST JOHN FISHER COLLEGE 2009 SCHOLARSHIP RECEIPT NICOLE M HENRY SS # 099 78 4791	1,000.00	
07/23/2009	Other Disbursements ST JOHN FISHER COLLEGE SCHOLARSHIP RECIPIENT ELIZABETH ORSINO SS # 071 78 2581	1,000.00	

Tax ID Number:

16-6552465

VARFLEX EDUCATIONAL FOUNDATION II

Date	Description	Payments	Receipts
07/23/2009	Other Disbursements UNIVERSITY AT BUFFALO SCHOLARSHIP RECIPIENT MARIA E MANCEBO SS # 102 78 7664	1,000.00	
07/23/2009	Other Disbursements ROCHESTER INSTITUTE OF TECHNOLOGY SCHOLARSHIP RECIPIENT MELISSA L ZIANKOSKI SS # 134 78 7135	500.00	
07/23/2009	Other Disbursements SYRACUSE UNIVERSITY SCHOLARSHIP RECIPIENT STEPHANIE E TARDUGNO SS # 113 78 4964	500.00	
07/23/2009	Other Disbursements ST JOHNS UNIVERSITY SCHOLARSHIP RECIPIENT SUGUNDIA N SMITH SS # 090 78 1697	500.00	
07/23/2009	Other Disbursements SUNY OSWEGO SCHOLARSHIP RECIPIENT KRISTIN M METZGER SS # 113 78 9970	1,000.00	
07/23/2009	Other Disbursements ST JOHN FISHER COLLEGE 2009 SCHOLARSHIP RECIPIENT KELLY K HURD SS # 130 78 5018	1,000.00	
07/23/2009	Other Disbursements KEUKA COLLEGE SCHOLARSHIP RECIPIENT ALYSSA K MATTHEWS SS # 134 78 6558	500.00	
07/23/2009	Other Disbursements ITHACA COLLEGE SCHOLARSHIP RECIPIENT LAURA J RENWICK SS # 070 78 3421	1,000.00	

Date	Description	Payments	Receipts
Other Disbursements			
02/20/2009	Other Disbursements MOHAWK VALLEY COMMUNITY COLLEGE ASHLEY A ARMSTRONG SS# 118-76-1054	500.00	
07/23/2009	Other Disbursements LEMOYNE COLLEGE 2009 SCHOLARSHIP RECEIPT MELISSA A GONDEK SS # 113 78 2990	1,000.00	
07/23/2009	Other Disbursements ST BONAVENTURE UNIVERSITY 2009 SCHOLARSHIP RECEIPT RYAN M COOKE SS # 062 78 0857	500.00	

Important Tax Return Documents Enclosed

Tax ID Number: 16-6552465

VARFLEX EDUCATIONAL FOUNDATION II

Date	Description	Payments	Receipts
07/23/2009	Other Disbursements RENSELAER POLYTECHNIC INSTITUTE SCHOLARSHIP RECIPIENT DAVID J LOMBARDO SS # 121 78 9157	1,000.00	
07/23/2009	Other Disbursements SUNY OSWEGO SCHOLARSHIP RECIPIENT RHETT E KRISTL SS # 592 08 5139	500.00	
07/23/2009	Other Disbursements SIENA COLLEGE SCHOLARSHIP RECIPIENT BRANDY E KOTARY SS # 068 80 3040	1,000.00	
07/23/2009	Other Disbursements SUNY GENESEO 2009 SCHOLARSHIP RECEIPT KAYLA I HOLMES SS # 212 33 7250	1,000.00	
07/23/2009	Other Disbursements WESTERN NEW ENGLAND COLLEGE 2009 SCHOLARSHIP RECEIPT HEATHER A HARTMAN SS # 109 78 9609	1,000.00	
07/23/2009	Other Disbursements ELMIRA COLLEGE SCHOLARSHIP RECIPIENT SUZANNE P ORSINO SS # 115 74 7201	1,000.00	
	Total Other Disbursements	21,000.00	0.00

Tax ID Number:

16-6552465

VARFLEX EDUCATIONAL FOUNDATION II

Dividends and Interest Detail

Qualified Dividends

Qualified Domestic Dividends

Description	Amount of dividend
Reported on 1099 Forms DIV, INT, OID or B	
ISHARES TR DJ US TELECOMM	7.28
ISHARES TR MSCI EAFE IDX	16.13
ISHARES TRUST	34.95
MIDCAP SPDR TRUST	80.85
SELECT SECTOR SPDR TR SBI CONS DISCR	51.82
SELECT SECTOR SPDR TR SBI CONS STAPLES	194.16
SELECT SECTOR SPDR TR SBI HEALTHCARE	160.04
SELECT SECTOR SPDR TR SBI INT- FIN	96.00
SELECT SECTOR SPDR TR SBI INT-ENERGY	140.97
SELECT SECTOR SPDR TR SBI INT-INDS	159.80
SELECT SECTOR SPDR TR SBI INT-UTILS	82.70
SELECT SECTOR SPDR TR SBI MATERIALS	58.37
SELECT SECTOR SPDR TR SBI TECHNOLOGY	181.91
SPDR S&P MIDCAP 400 ETF TR	34.66
VERIZON COMMUNICATIONS COM	43.95
Total Reported on 1099 Forms DIV, INT, OID or B	1,343.59
Total Qualified Domestic Dividends	1,343.59

Tax ID Number:

16-6552465

VARFLEX EDUCATIONAL FOUNDATION II

Qualified Foreign Dividends

Description	Amount of dividend
Reported on 1099 Forms DIV, INT, OID or B	
ISHARES TR MSCI EAFE IDX	248.09
ISHARES TR MSCI EMERGMKT	74.43
Total Reported on 1099 Forms DIV, INT, OID or B	322.52
Total Qualified Foreign Dividends	322.52
Total Qualified Dividends included on 1099-DIV box 1b	1,667.00

Non-Qualified Dividends**Non-Qualified Domestic Dividends**

Description	Amount of dividend
Reported on 1099 Forms DIV, INT, OID or B	
FEDFUND I	4.84
FEDFUND P	9.14
ISHARES TR MSCI EMERGMKT	8.64
ISHARES TRUST	19.01
SELECT SECTOR SPDR TR SBI INT- FIN	20.86
SELECT SECTOR SPDR TR SBI INT-INDS	16.19
SELECT SECTOR SPDR TR SBI INT-UTLS	5.88
Total Reported on 1099 Forms DIV, INT, OID or B	84.56

Tax ID Number:

16-65552465

VARFLEX EDUCATIONAL FOUNDATION II

Non-Qualified Domestic Dividends

Description	Amount of dividend
-------------	--------------------

Total Non-Qualified Domestic Dividends

84.56

Non-Qualified U.S. Government Interest Reported as Dividends

Description	Amount of dividend
-------------	--------------------

Reported on 1099 Forms DIV, INT, OID or B

FEDFUND I

2.90

FEDFUND P

5.49

Total Reported on 1099 Forms DIV, INT, OID or B

8.39

Total Non-Qualified U.S. Government Interest Reported as Dividends

8.39

Non-Qualified Foreign Dividends

Description	Amount of dividend
-------------	--------------------

Reported on 1099 Forms DIV, INT, OID or B

ISHARES TR MSCI EMERGMKT

0.85

Total Reported on 1099 Forms DIV, INT, OID or B

0.85

Total Non-Qualified Foreign Dividends

0.85

Total Non-Qualified Dividends included in Form 1099-DIV box 1a

94.00

Review of Assets

Shares or Par Value	Unit Market	Investment Cost Basis	Total Market Value	Est. Annual Income	Current Yield
CASH					
		124.46	124.46		
		0.00	0.00		
		124.46	124.46		
CASH EQUIVALENTS					
MISC CASH EQUIV-TXBL					
3,859.71	1,000	3,859.71	3,859.71	3	0.07
2,000	1,000	2,000.00	2,000.00	1	0.07
		5,859.71	5,859.71	4	0.07
		5,859.71	5,859.71	4	0.07
FIXED INCOME SECURITIES					
U.S. GOVT AGENCIES					
10,000	105.375	9,747.70	10,537.50	438	4.15
10,000	108.500	9,835.10	10,850.00	471	4.34
10,000	107.219	9,957.20	10,721.90	500	4.66
10,000	106.406	9,864.00	10,640.60	488	4.58
10,000	109.906	10,002.64	10,990.60	500	4.55
5,000	100.219	5,070.45	5,010.95	363	7.23
10,000	107.094	9,723.10	10,709.40	438	4.09

Review of Assets

Shares or Par Value		Unit Market	Investment Cost Basis	Total Market Value	Est. Annual Income	Current Yield
10,000	FEDERAL NATL MTG ASSN 5.125 01-02-14	106.163	9,973.00	10,616.30	513	4.83
	TOTAL U.S. GOVT AGENCIES					
	TOTAL FIXED INCOME SECURITIES		74,173.19	80,077.25	3,711	4.63
			74,173.19	80,077.25	3,711	4.63
	EQUITIES					
	COMMON STOCK					
47	VERIZON COMMUNICATIONS	33.130	1,455.55	1,557.11	89	5.73
	EQUITY MUTUAL FUNDS (ETF)					
126	ISHARES TR MSCI EMERGMKT	41.500	4,770.54	5,229.00	3	0.06
169	ISHARES TR MSCI EAFE IDX	55.280	11,798.19	9,342.32	244	2.61
74	ISHARES TR RUSSELL 2000	62.440	5,774.96	4,620.56	75	1.62
71	MIDCAP SPDR TR SER 1 S&P 400	131.740	10,447.65	9,353.54	139	1.48
101	SELECT SECTOR SPDR TR SBI MATERIALS	32.990	3,483.51	3,331.99	72	2.15
285	SELECT SECTOR SPDR TR SBI HEALTHCARE	31.070	9,423.18	8,854.95	196	2.21
220	SELECT SECTOR SPDR TR SBI CONS STAPLES	26.470	5,800.62	5,823.40	219	3.76
109	SELECT SECTOR SPDR TR SBI CONS DISCR	29.770	4,222.58	3,244.93	70	2.16
141	SELECT SECTOR SPDR TR SBI INT-ENERGY	57.010	7,725.15	8,038.41	172	2.14
453	SELECT SECTOR SPDR TR SBI INT- FIN	14.400	16,705.72	6,523.20	95	1.45
274	SELECT SECTOR SPDR TR SBI INT-INDS	27.790	9,579.85	7,614.46	198	2.60

Review of Assets

Shares or Par Value		Unit Market	Investment Cost Basis	Total Market Value	Est. Annual Income	Current Yield
575	SELECT SECTOR SPDR TR	22.930	13,537.36	13,184.75	183	1.39
	SBI TECHNOLOGY					
76	SELECT SECTOR SPDR TR	31.020	2,497.68	2,357.52	112	4.76
	SBI INT-UTILS					
	TOTAL EQUITY MUTUAL FUNDS (ETF)					
	TOTAL EQUITIES		105,766.99	87,519.03	1,778	2.03
			107,222.54	89,076.14	1,867	2.09
	GRAND TOTAL		187,379.90	175,137.56	5,582	3.18