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

2009

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

MCGRAW FOUNDATION
653 LANDWEHR ROAD
NORTHBROOK, IL 60062

A Employer identification number: 36-2490000

B Telephone number (see the instructions): 847-291-9810

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: [X] Section 501(c)(3) exempt private foundation [ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16) ► $ 9,703,023.

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

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)*

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc, received (att sch)				
	2 Ck ► [X] if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	179.	179.		
	4 Dividends and interest from securities	278,705.	284,825.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	-558,454.			
	b Gross sales price for all assets on line 6a 3,993,388.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain			0.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit/(loss) (att sch)				
	11 Other income (attach schedule) SEE STATEMENT 1	-8,087.	-8,087.		
	12 **Total.** Add lines 1 through 11	-287,657.	276,917.	0.	
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	96,500.	24,125.		72,375.
	14 Other employee salaries and wages	29,734.	7,434.		22,300.
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch) SEE ST 2	5,300.	1,325.		3,975.
	c Other prof fees (attach sch) SEE ST 3	53,835.	53,835.		
	17 Interest				
	18 Taxes (attach schedule)(see instr) SEE STM 4	11,660.	2,470.		7,409.
	19 Depreciation (attach sch) and depletion	842.	169.		
	20 Occupancy				
	21 Travel, conferences, and meetings	1,609.	402.		1,207.
	22 Printing and publications				
	23 Other expenses (attach schedule) SEE STATEMENT 5	36,146.	9,037.		27,109.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	235,626.	98,797.		134,375.
	25 Contributions, gifts, grants paid PART XV	252,130.			833,668.
	26 **Total expenses and disbursements.** Add lines 24 and 25	487,756.	98,797.	0.	968,043.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-775,413.			
	b **Net investment income** (if negative, enter -0-)		178,120.		
	C **Adjusted net income** (if negative, enter -0-)			0.	

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

		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing	114,915.	96,772.	96,772.
	2 Savings and temporary cash investments			
	3 Accounts receivable ►			
	Less allowance for doubtful accounts ►			
	4 Pledges receivable ►			
	Less. allowance for doubtful accounts ►			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7 Other notes and loans receivable (attach sch) ►			
	Less: allowance for doubtful accounts ►			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments – U.S and state government obligations (attach schedule)	2,318,720.	2,081,580.	2,081,580.
	b Investments – corporate stock (attach schedule)	5,208,751.	5,809,886.	5,809,886.
	c Investments – corporate bonds (attach schedule)	1,233,973.	1,424,086.	1,424,086.
	11 Investments – land, buildings, and equipment basis ►			
	Less· accumulated depreciation (attach schedule) ►			
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule)	19,706.	128,305.	128,305.
	14 Land, buildings, and equipment· basis ► 14,260.			
	Less. accumulated depreciation (attach schedule) SEE STMT 6 ► 14,012.	1,090.	248.	248.
	15 Other assets (describe ► SEE STATEMENT 7)	137,372.	162,146.	162,146.
	16 Total assets (to be completed by all filers – see instructions Also, see page 1, item I)	9,034,527.	9,703,023.	9,703,023.
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable	1,383,218.	801,680.	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ►)	239.		
	23 **Total liabilities** (add lines 17 through 22)	1,383,457.	801,680.	
NET ASSETS OR FUND BALANCES	**Foundations that follow SFAS 117, check here ► [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	7,651,070.	8,901,343.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► [ ] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances** (see the instructions)	7,651,070.	8,901,343.	
	31 **Total liabilities and net assets/fund balances** (see the instructions)	9,034,527.	9,703,023.	

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	7,651,070.
2	Enter amount from Part I, line 27a	2	-775,413.
3	Other increases not included in line 2 (itemize) ► SEE STATEMENT 8	3	2,025,686.
4	Add lines 1, 2, and 3	4	8,901,343.
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	8,901,343.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	S-T LOSSES SEE ATTACHED STMT (ACCT ENDING IN 2854)	P	VARIOUS	VARIOUS
b	L-T LOSSES SEE ATTACHED STMT (ACCT ENDING IN 2854)	P	VARIOUS	VARIOUS
c	L-T GAINS SEE ATTACHED STMT (ACCT ENDING IN 2854)	P	VARIOUS	VARIOUS
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	1,199,407.		1,237,390.	-37,983.
b	2,790,230.		3,314,452.	-524,222.
c	3,751.			3,751.
d				
e				

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				-37,983.
b				-524,222.
c				3,751.
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** -558,454.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0- in Part I, line 8 — **3** -558,454.

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2008	1,278,549.	10,764,599.	0.118773
2007	917,975.	13,006,062.	0.070581
2006	953,066.	13,029,717.	0.073146
2005	738,270.	13,136,233.	0.056201
2004	612,315.	13,007,207.	0.047075

2	**Total** of line 1, column (d)	2	0.365776
3	Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.073155
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	8,974,552.
5	Multiply line 4 by line 3	5	656,533.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,781.
7	Add lines 5 and 6	7	658,314.
8	Enter qualifying distributions from Part XII, line 4	8	968,043.

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 the instructions)

1 a	Exempt operating foundations described in section 4940(d)(2), check here ► [ ] and enter 'N/A' on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary - see instr.)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► [X] and enter 1% of Part I, line 27b	1	1,781.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	1,781.
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	1,781.
6	Credits/Payments		
a	2009 estimated tax pmts and 2008 overpayment credited to 2009 — 6a: 4,000.		
b	Exempt foreign organizations – tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments Add lines 6a through 6d	7	4,000.
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	0.
10	**Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►	10	2,219.
11	Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ► 2,219. **Refunded** ►	11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1 a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b		X
	*If the answer is 'Yes' to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	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?	4b	N/A	
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, column (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see the instructions) ► N/A			
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 2009 or the taxable year beginning in 2009 (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 ► MAXMCGRAWFOUNDATION.ORG

14 The books are in care of ► JAMES F. QUILTER Telephone no ► 847-291-9810

Located at ► 653 LANDWEHR ROAD NORTHBROOK IL ZIP + 4 ► 60062

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐

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.

		Answer	Line	Yes	No
1 a	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 the instructions)?		1b	N/A	
	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 2009?		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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	☐ Yes ☒ No			
	If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see the instructions.)		2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20__ , 20__ , 20__ , 20__				
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 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.)*		3b	N/A	
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 2009?		4b		X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ 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)? (see instructions) ☐ 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)? **5b** N/A

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 (No)

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? **7b** N/A

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

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

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE ATTACHED SCHEDULE	0	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1– see instructions). If none, enter 'NONE.'

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

Total number of other employees paid over $50,000 ► 0

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

3 Five highest-paid independent contractors for professional services – (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		
Total number of others receiving over $50,000 for professional services ►		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** (see instructions)

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	8,750,223.
b	Average of monthly cash balances	1b	360,997.
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	9,111,220.
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	9,111,220.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	136,668.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	8,974,552.
6	**Minimum investment return.** Enter 5% of line 5	6	448,728.

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	448,728.
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a: 1,781.		
b	Income tax for 2009. (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	1,781.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	446,947.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	446,947.
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	446,947.

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	968,043.
b	Program-related investments — total from Part IX-B	1b	
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	968,043.
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 (see instructions)	5	1,781.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	966,262.

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				446,947.
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only			0.	
b Total for prior years: 20___, 20___, 20___		0.		
3 Excess distributions carryover, if any, to 2009.				
a From 2004				
b From 2005 89,494.				
c From 2006 305,632.				
d From 2007 270,829.				
e From 2008 747,567.				
f **Total** of lines 3a through e	1,413,522.			
4 Qualifying distributions for 2009 from Part XII, line 4 ► $ 968,043.				
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				446,947.
e Remaining amount distributed out of corpus	521,096.			
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	1,934,618.			
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 instructions.			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) (see instructions)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	0.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	1,934,618.			
10 Analysis of line 9.				
a Excess from 2005 89,494.				
b Excess from 2006 305,632.				
c Excess from 2007 270,829.				
d Excess from 2008 747,567.				
e Excess from 2009 521,096.				

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

1a 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(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a 'Assets' alternative test – enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
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)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV | Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year – see 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 9

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

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 ATTACHED SCHEDULE				833,668.
,				
Total			► **3a**	833,668.
b *Approved for future payment*				
SEE ATTACHED SCHEDULE				859,500.
,				
Total			► **3b**	859,500.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	(e) Related or exempt function income (see the instructions)
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			14	179.	
4 Dividends and interest from securities			14	278,705.	
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	-558,454.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a LOWER WACKER SMALL CAP IN			14	-8,087.	
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				-287,657.	

13 **Total.** Add line 12, columns (b), (d), and (e) 13 -287,657.

(See worksheet in the instructions for line 13 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) (See the instructions)
N/A	

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	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

► [signature] 5-11-10 ► Secr/ Treasurer

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature ► RP [signature]	Date 5·7·10	Check if self-employed ► ☒	Preparer's Identifying number (See **Signature** in the instrs) N/A
Firm's name (or yours if self-employed), address, and ZIP code ► PICKER & ASSOCIATES, CPA'S		EIN ► N/A	
1130 W LAKE COOK RD., STE. 130			
BUFFALO GROVE, IL 60089		Phone no ► (847) 541-4000	

STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
LOWER WACKER SMALL CAP IN	$ -8,087.	$ -8,087.	
TOTAL	$ -8,087.	$ -8,087.	$ 0.

STATEMENT 2
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	$ 5,300.	$ 1,325.		$ 3,975.
TOTAL	$ 5,300.	$ 1,325.	$ 0.	$ 3,975.

STATEMENT 3
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADVISORY & CUSTODIAL	$ 53,835.	$ 53,835.		
TOTAL	$ 53,835.	$ 53,835.	$ 0.	$ 0.

STATEMENT 4
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE	$ 1,781.			
PAYROLL	9,879.	$ 2,470.		$ 7,409.
TOTAL	$ 11,660.	$ 2,470.	$ 0.	$ 7,409.

STATEMENT 5
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DUES AND SUBSCRIPTIONS	$ 595.	$ 149.		$ 446.
INSURANCE	8,404.	2,101.		6,303.
OFFICE SUPPLIES	6,517.	1,629.		4,888.
RENTAL EXPENSES	17,272.	4,318.		12,954.
TELEPHONE	3,358.	840.		2,518.
TOTAL	$ 36,146.	$ 9,037.	$ 0.	$ 27,109.

STATEMENT 6
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
MACHINERY AND EQUIPMENT	$ 14,260.	$ 14,012.	$ 248.	$ 248.
TOTAL	$ 14,260.	$ 14,012.	$ 248.	$ 248.

STATEMENT 7
FORM 990-PF, PART II, LINE 15
OTHER ASSETS

	BOOK VALUE	FAIR MARKET VALUE
FEDERAL EXCISE TAX RECEIVABLE	$ 2,219.	$ 2,219.
INTEREST AND DIVIDENDS RECEIVABLE	40,824.	40,824.
LEASE DEPOSIT	1,024.	1,024.
LIMITED PARTNERSHIP INTEREST	113,562.	113,562.
OTHER PREPAID EXPENSES	1,950.	1,950.
PREPAID INSURANCE	2,567.	2,567.
TOTAL	$ 162,146.	$ 162,146.

STATEMENT 8
FORM 990-PF, PART III, LINE 3
OTHER INCREASES

UNREALIZED GAINS/(LOSSES) RECORDED FOR BOOK PURPOSES	$ 2,025,686.
TOTAL	$ 2,025,686.

STATEMENT 9
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:	
NAME:	JAMES F. QUILTER
CARE OF:	MCGRAW FOUNDATION
STREET ADDRESS:	
CITY, STATE, ZIP CODE:	NORTHBROOK, IL 60062
TELEPHONE:	847-291-9810
FORM AND CONTENT:	APPLICABLE GUIDELINES ATTACHED
SUBMISSION DEADLINES:	PREFERRABLY BETWEEN DECEMBER 1 AND FEBRUARY 1
RESTRICTIONS ON AWARDS:	APPLICABLE GUIDELINES ATTACHED

McGraw Foundation

653 Landwehr Road
Northbrook, IL 60062-2309
(847) 291-9810 • Fax: (847) 291-9811
[illegible]
Email: mcgrawfoundation@att.net

KM 2/15/10
(all pages)

McGRAW FOUNDATION

GRANT APPLICATION PROCEDURES

Proposal letters are considered appropriate applications for grants. Submissions should contain the purpose and background of the organization.

Applicants should submit as much detail as necessary to explain and justify the need for funding. Particular attention will be paid to the reasonableness of administrative expense ratios and fund raising costs. Organizations must be willing to have results of a grant audited.

The following information, indexed on a cover sheet, must accompany the proposal:

1) Amount requested
2) Specific purpose of funding
3) Specific location (s) of project/service
4) Details of other sources and amounts of funding, including foundations
5) List of current board members
6) Budgetary data (for the project, if the request is for a specific project)
7) Proof of federal (not state) tax-exempt status (i. e., current 501 (c) (3) letter) **
8) Federal tax identification number
9) Most recent audited financial statements

Grant requests must be mailed (not emailed or faxed) to the following address:

Mr. James F. Quilter, Vice President
McGraw Foundation
653 Landwehr Road
Northbrook, Illinois 60062-2309

February 1st is the deadline for applications to be considered in that year's budget. In order for pertinent information to be considered current, we suggest that applications be mailed between December 1st and February 1st. Last minute deliveries are unnecessary. A few days grace period will be allowed.

Applicants will be notified as soon as possible if funding is not available to meet their request. Successful applicants will be notified of grant approval usually after July 1, following the annual meeting of the Foundation Board of Directors.

** **See page 3 for more on this**

McGRAW FOUNDATION

GRANT GUIDELINES

1. The Foundation's primary areas of interest are the fields of higher education, particularly in scientific and environmental fields, educational programs at all levels, and human services. Occasionally, grants are made in other areas such as health, medical research and cultural. Grants generally are limited to organizations located in the greater Chicago area.

2. Grants may be made for general operating support, specific projects, and occasionally, capital programs. Grants will be made on a single year basis. Grants made for specific projects require grantees to render accountability by means of periodic reports.

3. The Foundation will make annual grants on a recurring basis to sustain operations of some organizations. However, long-term dependency situations are not considered desirable.

4. Grant requests are suggested to be within a range of $5,000 (or less) to $25,000. Grant recipients and amounts will be determined by several criteria. Naturally, availability of funds is a key factor.

5. The Foundation will occasionally make large grants ($50,000 or more) to support unusually promising efforts in any of its areas of interest. Innovative research, special education, and/or other activities will be considered if the Foundation's support would assist an effort or a project in making a significant impact benefiting mankind.

6. The use of the matching grant, or "challenge" approach is encouraged where feasible.

7. The Foundation will consider "seed money" situations where a relatively small contribution will assist a fledgling organization off the ground. In such cases, the grantee must have a plan to sustain itself on a continuing basis.

8. The Foundation will support only organizations qualified as tax-exempt, (i.e., 501© (3) organizations), under the regulations of the United States Internal Revenue Service. **

9. The Foundation does not make grants directly to individuals.

10. The Foundation does not make grants for purposes that are strictly religious in nature.

11. The Foundation does not normally support theater groups.

12. The Foundation does not normally support public or private high schools.

** **See page 3**

Rev. 2/08

McGRAW FOUNDATION

GRANT GUIDELINES

** Effective August 17, 2006, the Pension Protection Act of 2006 (H.R. 4) became law.

Among other things, this law imposes certain obligations on private foundations (such as McGraw Foundation) considering grants to "Supporting Organizations."

If your organization is a "Public Charity" under code section 501 (c) (3), it will have received an additional designation of 509 (a) (1), 509 (a) (2), or 509 (a) (3). We request that any grant application made to McGraw Foundation include proof of the appropriate Sec. 509 designation. This Sec. 509 designation is usually stated on the same federal Internal Revenue Service letter indicating your 501 (c) (3) status.

509 (a) (3) denotes a supporting organization affected by the new law. Before McGraw Foundation can proceed on an application from a 501 (c) (3) organization with a 509 (a) (3) designation, more information will be needed. If you have any doubt as to the nature and category of your organization's tax-exempt status, and current documentation thereof, please consult your professional tax advisor.

McGRAW FOUNDATION

MEMBERS OF THE BOARD OF DIRECTORS
(There is no compensation for the Board of Directors)

2009

Bernard B. Rinella, **President**
59 Meadowview Drive
Winnetka, IL 60093

James F. Quilter, **Vice President, Secretary, Treasurer**
1671 E. Mission Hills Road
Northbrook, IL 60062

J. Bradley Davis, Director
9 North Liberty Street
PO Box 2056
Middleburg, VA 20118

Scott M. Elrod, Director
25 W. Shore Road
Belvedere, CA 94920

Dennis W. Fitzgerald, Director
2130 Mauna Place
Honolulu, HA 96822

Jerry D. Jones, Director
726 Forrest Avenue
Geneva, IL 60134

William W. Mauritz, Director
72 Fairway Avenue
Rye, NY 10580

Carol E. Moorman, Director
220 Oak Knoll Road
Barrington, IL 60010

Catherine B. Nelson, Director
12109 Piney Glen Lane
Potomac, MD 20854

McGRAW FOUNDATION

OFFICERS & EMPLOYEES

	Hours/week	2009 Salary:
James F. Quilter, Executive Director Vice President, Secretary, Treasurer 1671 E. Mission Hills Road Northbrook. IL 60062	40	$61.500
Gordon LaBounty, Vice President 1735 Fremont Road Hoffman Estates, IL 60169	40	$35,000
Diane D. Miller, Assistant Secretary 1627 Keeney Evanston, IL 60202	25	$32,234

McGRAW FOUNDATION

2009 FORM 990 PF #36-2490000

PART XV SUPPLEMENTARY INFORMATION

3. a. Grants and Contributions Paid During Year
through December 31, 2009
(No Relationship)

Attachment Page Number	Category	Amount
4	Education – Higher	$350,000
4	Health & Medical Research	$ 7,500
4	Environmental	$349,038
5-6	Education – Primary, High School, Special	$ 60,000
7-11	Matching Grants	$ 65,880
12	Miscellaneous Grants	$ 1,250

2009 PAID TOTAL: $833,668

McGRAW FOUNDATION
INCOME TAX - 2009

REGULAR GRANTS (p. 1)
Paid January 1 - December 31, 2009

HIGHER EDUCATION

Organization	Individual	Status	Date	Amount
Associated Colleges of Illinois 20 N. Wacker Drive, Suite 1456 Chicago, IL 60606	N	501 C (3)	7/15/09	$100,000
McGraw Foundation Emergency Aid			$ 40,000	
McGraw Foundation Scholarship Program:			$ 60,000	

SPECIAL:

Organization	Individual	Status	Date	Amount
Regents of the University of Michigan - Ross School of Business 701 Tappan Street Ann Arbor, MI 48109	N	501 C (3)	10/28/09	$250,000
			2009 Total:	$350,000

HEALTH & MEDICAL

Organization	Individual	Status	Date	Amount
Hospice Foundation of Northeastern IL 410 S. Hager Avenue Barrington, IL 60010	N	501 C (3)	7/31/09	$7,500
			2009 Total:	$7,500

ENVIRONMENTAL

Organization	Individual	Status	Date	Amount
Max McGraw Wildlife Foundation	N	501 C (3)	7/31/09	$ 25,000
Max McGraw Wildlife Foundation			2/10/09	$ 81,038
"Conservation Leaders for Tomorrow" Program:			4/23/09	$ 81,000
			7/31/09	$ 81,000
			10/19/09	$ 81,000
			2009 Total:	$349,038

REGULAR GRANTS (p. 2)
Paid January 1 - December 31, 2009

EDUCATION: ELEMENTARY, HIGH SCHOOL, AND SPECIAL

Organization	Individual	Status	Date	Amount
F.A.I.T.H. Program Schools:				
St. Bartholomew School 4941 W. Patterson Chicago, IL 60641	N	501 © (3)	02/19/09 10/05/09	$1,500 $1,500
St. Catherine-St. Lucy School 27 W. Washington Oak Park, IL 60302-4308	N	501 © (3)	02/19/09 10/05/09	$1,500 $1,500
St. Constance School 5841 W. Street Chicago, IL 60630	N	501 © (3)	02/19/09 10/05/09	$2,750 $2,750
St. Ferdinand School 3131 N. Mason Ave. Chicago, IL 60634	N	501 © (3)	02/19/09 10/09/09	$6,500 $6,500
St. Frances of Rome School 1401 S. Austin Blvd. Cicero, IL 60804	N	501 © (3)	02/24/09 10/05/09	$1,250 $1,250
St. Giles 1030 N. Linden Avenue Oak Park, IL 60302-1399	N	501 © (3)	02/24/09 10/05/09	$750 $750
St. Helen School 2347 W. Augusta Blvd. Chicago, IL 60622	N	501 © (3)	03/05/09 10/05/09	$1,500 $1,500
St. Hyacinth Catholic School 3640 W. Wolfram Chicago, IL 60618	N	501 © (3)	02/19/09 10/09/09	$4,550 $4,550
St. John De La Salle School 10212 S. Vernon Avenue Chicago, IL 60628	N	501 © (3)	02/19/09 10/09/09	$2,250 $2,250

REGULAR GRANTS (p. 3)
Paid January 1 - December 31, 2009

EDUCATION: ELEMENTARY, HIGH SCHOOL, AND SPECIAL

Organization	Individual	Status	Date	Amount
F.A.I.T.H. (continued):				
St. Ladislaus School 3330 N. Lockwood Ave. Chicago, IL 60641	N	501 © (3)	03/27/09 10/14/09	$3,900 $3,900
St. Margaret of Scotland School 9833 S. Throop Street Chicago, IL 60643	N	501 © (3)	03/05/09 10/06/09	$550 $550
St. Stanislaus Kostka School 1255 N. Noble Street Chicago, IL 60622	N	501 © (3)	03/05/09 10/06/09	$1,500 $1,500
Transfiguration Catholic School 316 West Mill Street Wauconda, IL 60084	N	501 © (3)	02/24/09 10/06/09	$1,500 $1,500
		2009 Elementary Education Total:		$60,000

McGRAW FOUNDATION - 2009 MATCHING GRANTS (p. 1)

Recipient Name/Address	Individ.	Status	Date		Amount
Piedmont Community Foundation PO Box 402 Middleburg, VA 20117	N	501 © (3)	06/29/09 09/29/09 11/09/09	\$ \$ \$	10,000 5,000 5,000
Allendale Association PO Box 1088 Lake Villa, IL 60046	N	501 © (3)	12/31/09	\$	1,000
American Sports Institute PO Box 1837 Mill Valley, CA 94942	N	501 © (3)	12/31/09	\$	500
California Academy of Sciences 55 Concourse Drive Golden Gate Park San Francisco, CA 94118	N	501 © (3)	12/31/09	\$	1,000
Olympic Club Foundation PO Box 280608 San Francisco, CA 94128	N	501 © (3)	12/31/09	\$	4,500
University of Michigan - Ross School of Business 701 Tappan Street Ann Arbor, MI 48109	N	501 © (3)	12/31/09	\$	1,000
Pacific Aviation Museum - Pearl Harbor Hangar 37 Ford Island - 319 Lexington Blvd. Honolulu, HI 96818	N	501 © (3)	12/08/09	\$	5,000
Holy Family Catholic Academy Tuition Assistance 2515 W. Palatine Road Inverness, IL 60067	N	501 © (3)	03/05/09 09/29/09 11/30/09	\$ \$ \$	1,000 200 500

Recipient Name/Address	Individ.	Status	Date	Amount
Port Chester Carver Center 400 Westchester Ave. Port Chester, NY 10573	N	501 © (3)	03/11/09 12/15/09	$ 100 $ 100
Rye YMCA 21 Locust Ave. Rye, NY 10580	N	501 © (3)	12/15/09	$ 100
Williams College Alumni Fund 75 Park Street Williamstown, MA 01267	N	501 © (3)	12/15/09	$ 100
Chicago Botanic Garden 1000 Lake Cook Road Glencoe, IL 60022	N	501 © (3)	04/10/09 06/16/09	$ 70 $ 100
Illinois Holocaust Museum & Education Center 9603 Woods Drive Skokie, IL 60077	N	501 © (3)	11/09/09	$ 25
Cubs Care Charities 1060 W. Addison St. Chicago, IL 60613	N	501 © (3)	11/11/09	$ 50
Guadalupe Center, Inc. 509 Hope Circle Immokalee, FL 34142	N	501 © (3)	1/2/2009	$ 250
Naples Zoo 1590 Goodlette Road Naples, FL 34102	N	501 © (3)	2/18/2009	$ 150
St. Jude's Children's Research Hospital c/o Daphne Moorman Monroy 247 Yorkshire Drive Fox River Grove, IL 60021	N	501 © (3)	3/17/2009	$ 75

McGRAW FOUNDATION - 2009 MATCHING GRANTS (p. 3)

Recipient Name/Address	Individ.	Status	Date		Amount
St. Lawrence University Alumni Fund St. Lawrence University 23 Romoda Drive Canton, NY 13617-1501	N	501 © (3)	5/13/2009	$	125
Hospice Foundation of Northern Illinois 410 S. Hager Avenue Barrington, IL 60010	N	501 © (3)	5/27/2009	$	300
			6/18/2009	$	500
			7/21/2009	$	300
			10/7/2009	$	250
			10/22/2009	$	1,250
Barrington Hills Conservation Trust 17 Oakdene Road East Barrington Hills, IL 60010	N	501 © (3)	7/7/2009	$	150
Jacksonville Zoo & Gardens 370 Zoo Parkway Jacksonville, FL 32218	N	501 © (3)	7/7/2009	$	50
Wellness Place 1619 W. Colonial Parkway Palatine, IL 60067-4732	N	501 © (3)	7/14/2009	$	100
Breast Cancer 3-Day PO Box 650543 Dallas, TX 75265-0543	N	501 © (3)	7/21/2009	$	50
Barrington Area Council on Aging (BACOA) 6000 Garlands Lane, Ste. 100 Barrington, IL 60010	N	501 © (3)	8/31/2009	$	85
Respiratory Health Assn. of Metro Chgo Donation Department 1440 W. Washington Blvd. Chicago, IL 60607	N	501 © (3)	8/31/2009	$	100
Illinois Center for Violence Protection 70 E. Lake Street, Suite 720 Chicago, IL 60601	N	501 © (3)	10/7/2009	$	125

McGRAW FOUNDATION - 2009 MATCHING GRANTS (p. 4)

Recipient Name/Address	Individ.	Status	Date	Amount
Naples Botanical Garden 4820 Bayshore Drive Naples, FL 34112	N	501 © (3)	10/07/09 12/03/09	$ 500 $ 125
District 15 Educational Foundation PO Box 664 Palatine, IL 60078	N	501 © (3)	12/21/2009	$ 100
Society of the Divine Word (Missionaries) PO Box 6099 Techny, IL 60082	N	501 © (3)	9/16/2009	$ 200
Northbrook Rotary Charitable Projects Foundation Raffle Tickets Box 283 Northbrook, IL 60065	N	501 © (3)	10/16/2009	$ 200
North Suburban United Way 3330 Dundee Road, Suite N-6 Northbrook, IL 60062	N	501 © (3)	10/30/2009	$ 100
Little Brothers-Friends of Elderly 355 N. Ashland Ave. Chicago, IL 60607	N	501 © (3)	12/15/2009	$ 50
Loyola University Chicago Annual Giving Department 4336 Carol Stream, IL 60122	N	501 © (3)	12/15/2009	$ 100
St. Ignatius College Prep School Annual Giving 1076 W. Roosevelt Road Chicago, IL 60608	N	501 © (3)	12/15/2009	$ 100
Mobile C.A.R.E. Foundation 3247 W. 26th Street, Suite 2 Chicago, IL 60623	N	501 © (3)	12/22/2009	$ 200

McGRAW FOUNDATION - 2009 MATCHING GRANTS (p. 5)

Recipient Name/Address	Individ.	Status	Date	Amount
Allendale Association PO Box 1088 Lake Villa, IL 60046	N	501 © (3)	12/01/09	$ 5,000
DePaul University Bernard B and Gloria Rinella Endowed Scholarship 1 E. Jackson Blvd. Chicago, IL 60604	N	501 © (3)	12/1/2009	$ 20,000
		2009	**Total**	**$ 65,880**

MCGRAW FOUNDATION
INCOME TAX - 2009

MISCELLANEOUS GRANTS – 2009

Recipient Name/Address	Individual	Status	Date	Amount
Northbrook Rotary Club Northbrook Rotary Charitable Projects Foundation Box 283 Northbrook, IL 60065-0283	N	501 © (3)	4/17/09	$350
Society of the Divine Word PO Box 6099 Techny, IL 60082-6099	N	501 © (3)	9/16/09	$200
Association of Small Foundations ASF Membership Office PO Box 247 Winooski, VT 05404	N	501 © (3)	10/19/09	$500
North Suburban United Way 3330 Dundee Road, Suite N-6 Northbrook, IL 60062	N	501 © (3)	10/30/09	$200
			Total:	**$1,250**

McGRAW FOUNDATION

2009 FORM 990 PF #36-2490000

PART XV – SUPPLEMENTARY INFORMATION

3. b. Grants and Contributions Approved For Future Payment (p. 1)
(No Relationship)

To Complete This Program Year 2009 – 2010

Recipient	Purpose	Amount
F.A.I.T.H. Program	Providing private elementary & high school education to needy inner-city youth – balance of 2009 grants	$ 30,000
Max McGraw Wildlife Foundation	"Conservation Leaders for Tomorrow" Program	$ 57,000
	Total:	**$87,000**

McGRAW FOUNDATION

2009 FORM 990 PF #36-2490000

PART XV – SUPPLEMENTARY INFORMATION

3. b. Grants and Contributions Approved For Future Payment (p. 2)
(No Relationship)

Future Program Years

Recipient	Purpose	Amount
University of Michigan Ross School of Business	Erb Institute: Graduate School 3rd year scholarships: • 2010 $250,000 • 2011 $250,000 • 2012 $250,000	$750,000
Hospice of Northeastern Illinois	Capital Campaign: 16 bed inpatient hospice home: • 2010 $7,500 • 2011 $7,500 • 2012 $7,500	$ 22,500

Total: $772,500

1099-B Proceeds From Broker Transactions (OMB No. 1545-0715)

This section reports your proceeds from each of your sales during the year which are reported to the Internal Revenue Service. The proceeds from each of your sales are reported to the IRS on Forms 1099-B (Box 2), not the aggregate total of your sales. You must report the proceeds of each sale on your tax return. We must report all transactions on a trade-date basis which is the date shown in the sale date column (Box 1a). The proceeds reported in Box 2 are less commissions, transfer charges, and premiums.

We are not required to nor do we report gains or losses on these sales to the IRS. However, as of 10/1/2009, your account was enhanced to track wash sale activity. Therefore, for 2009, we are reporting to you only those wash sales that may have occurred on or after 10/1/2009. Wash sales are reported with tax cost equal to proceeds. Disallowed losses from wash sales have been added to the tax cost of the repurchased securities. In addition to wash sale adjustments, your account, as of 8/24/2009, has been enhanced to adjust tax costs for amortization of premium paid for the acquisition of municipal bonds through the date of sale and for non-taxable dividends. Please be sure to consult your Tax Advisor before your income tax returns(s) are completed. An asterisk symbol (*) next to the tax cost indicates that the tax cost has been adjusted for the current year's return of capital. However, we have not made adjustments to the cost basis of all partnerships.

Short term transactions

This category includes all assets held 12 months or less.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
MASSACHUSETTS ST HEALTH & EDL	57586C6V2	30000	06/03/08	01/05/09	$30,792 60	$30,000 00	$792 60
UNITED STATES TREAS BDS	912810PW2	15000	06/10/08	01/05/09	$19,049 94	$14,210.75	$4,839 19
UNITED STATES TREAS BDS	912810PW2	10000	05/29/08	01/05/09	$12,699 96	$9,325 00	$3,374 96
MORGAN STANLEY GLOBAL MEDIUM TERM	6174466Q7	20000	09/19/08	01/06/09	$18,025 00	$17,645 92	$379 08
CITIGROUP INC GLOBAL SUB NT	172967DY4	15000	04/21/08	01/07/09	$13,864 80	$14,199 22	$-334 42
GOLDMAN SACHS GROUP INC	38141GFM1	10000	09/19/08	01/08/09	$9,689 70	$8,824 91	$864 79
WELLPOINT INC	94973V107	500	09/10/08	01/13/09	$19,349 04	$24,800 00	$-5,450 96
WELLPOINT INC	94973V107	700	08/06/08	01/13/09	$27,088 66	$37,771 23	$-10,682 57
WACHOVIA CORP NEW SUB NT	929903AJ1	10000	09/19/08	01/14/09	$9,593 10	$7,407 45	$2,185 65
GOLDMAN SACHS GROUP INC	38141GFM1	15000	10/14/08	01/14/09	$14,325.75	$12,937 21	$1,388 54
GOLDMAN SACHS GROUP INC	38141GFM1	5000	09/19/08	01/14/09	$4,775 25	$4,413 33	$361 92
WACHOVIA CORP NEW SUB NT	929903AJ1	5000	11/25/08	01/14/09	$4,796.55	$4,301 42	$495 13
BEAR STEARNS COS INC SR GLOBAL NT	073902RU4	5000	09/17/08	01/15/09	$5,436 85	$5,036 45	$400 40
FED HOME LN MTG CORP	3128MBUB1	44906 01	05/29/08	01/15/09	$672 28	$689 50	$-17.22

Short term transactions

This category includes all assets held 12 months or less.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
GOVT NATL MTG ASSN CMO	38373Y6W9	44191 96	01/22/08	01/16/09	$581·51	$581.51	$0.00
BEAR STEARNS COS INC SR GLOBAL NT	073902RU4	5000	09/17/08	01/16/09	$5,511 85	$5,036 45	$475 40
BANK NEW YORK INC	06406HBK4	20000	08/20/08	01/20/09	$20,653 60	$19,933 46	$720 14
CROWN CASTLE INTL CORP	228227104	1075	01/29/08	01/23/09	$20,418 00	$36,989 35	$-16,571 35
FED NATL MTG ASSN	31414RWL5	55727 62	03/14/08	01/26/09	$571 24	$583 29	$-12.05
FEDERAL NATIONAL MORTGAGE	31371LDX4	44344 37	03/19/08	01/26/09	$226.84	$226 84	$0.00
FEDERAL NATIONAL MORTGAGE	31403C6L0	177294 08	03/18/08	01/26/09	$349 82	$139 57	$210.25
FEDERAL NATIONAL MORTGAGE	31402RRS0	140193 66	03/07/08	01/26/09	$504 08	$348 55	$155 53
FEDERAL NATIONAL MORTGAGE	31402RRS0	140193 66	02/20/08	01/26/09	$504 08	$652 07	$-147.99
FEDERAL NATIONAL MORTGAGE	31402QWA5	158161 26	04/08/08	01/26/09	$566 80	$342 58	$224 22
AMERICAN EXPRESS CO NT	025816AX7	25000	01/31/08	01/29/09	$23,778 75	$25,976.25	$-2,197 50
TENN VALLEY AUTH	880591ED0	20000	06/17/08	01/29/09	$22,073 20	$19,915 40	$2,157 80
UNITED STATES TREAS NT	912828JR2	5000	01/16/09	01/29/09	$5,395 29	$5,644.92	$-249.63
UNITED STATES TREAS NT	912828JR2	10000	01/07/09	01/29/09	$10,790 59	$11,117 19	$-326.60
WELLS FARGO & CO NEW SR UNSECD NT	949746NX5	20000	10/10/08	01/30/09	$19,712 40	$17,038 40	$2,674.00
BEAR STEARNS COS INC SR GLOBAL NT	073902RU4	25000	09/17/08	01/30/09	$26,604 25	$25,182 25	$1,422 00
MARSHALL & ILSLEY CORP NEW	571837103	700	03/24/08	02/06/09	$3,484 93	$17,796 66	$-14,311 73
CITIGROUP INC GLOBAL SUB NT	172967DY4	10000	04/21/08	02/10/09	$7,448 90	$9,471 12	$-2,022.22
FED HOME LN MTG CORP	3128MBUB1	43751 25	05/29/08	02/17/09	$1,154.76	$1,184 35	$-29 59
WACHOVIA CORP NEW SUB NT	929903AJ1	5000	09/19/08	02/19/09	$4,581 35	$3,719 49	$861 86
FEDERAL NATIONAL MORTGAGE	31402DJS0	114291 5	01/28/09	02/25/09	$786 69	$211 67	$575 02
FEDERAL NATIONAL MORTGAGE	31402QWA5	155900 2	04/08/08	02/25/09	$1,130 53	$683 31	$447 22
FED NATL MTG ASSN	31414RWL5	55000 37	03/14/08	02/25/09	$727 25	$742 59	$-15.34
FEDERAL NATIONAL MORTGAGE	31371LDX4	44013 43	03/19/08	02/25/09	$330.93	$330 93	$0 00
FEDERAL NATIONAL MORTGAGE	31402RRS0	138749 54	03/07/08	02/25/09	$722 06	$499 28	$222.78
FEDERAL NATIONAL MORTGAGE	31403C6L0	175303 81	03/18/08	02/25/09	$663 42	$264 68	$398.74

Short term transactions

This category includes all assets held 12 months or less.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
GOLDMAN SACHS GROUP INC	38141GFM1	5000	10/27/08	03/16/09	$4,502 25	$4,266 19	$236.06
FED HOME LN MTG CORP	3128MBUB1	42191 76	05/29/08	03/16/09	$1,559 49	$1,599.45	$-39.96
GOLDMAN SACHS GROUP INC	38141GFM1	5000	10/14/08	03/16/09	$4,502 25	$4,321.28	$180.97
PEPSICO INC SR NT	713448BH0	15000	05/19/08	03/18/09	$15,724 20	$14,926 83	$797.37
FED NATL MTG ASSN	31371NXC4	45328 78	02/12/09	03/25/09	$1,060 67	$1,092.32	$-31 65
FEDERAL NATIONAL MORTGAGE	31402DJS0	111806 45	01/28/09	03/25/09	$1,242 53	$334 32	$908 21
FEDERAL NATIONAL MORTGAGE	31402QWA5	152530 04	04/08/08	03/25/09	$1,685 08	$1,018 48	$666 60
CITIGROUP INC GLOBAL SUB NT	172967DY4	10000	04/21/08	04/02/09	$6,200 00	$9,477 95	$-3,277.95
CITIGROUP INC GLOBAL SUB NT	172967DY4	5000	08/13/08	04/02/09	$3,100 00	$4,469 96	$-1,369 96
TENN VALLEY AUTH	880591ED0	25000	06/17/08	04/09/09	$26,052 25	$24,894 25	$1,158.00
FED HOME LN MTG CORP	3128MBUB1	40579 24	05/29/08	04/15/09	$1,612 53	$1,653 85	$-41 32
CITIGROUP INC GLOBAL SUB NT	172967DY4	10000	11/24/08	04/20/09	$6,650 00	$8,094 41	$-1,444 41
CITIGROUP INC GLOBAL SUB NT	172967DY4	5000	08/13/08	04/20/09	$3,325 00	$4,472 12	$-1,147.12
FEDERAL NATIONAL MORTGAGE	31402DJS0	109019 92	01/28/09	04/27/09	$1,393 27	$374 88	$1,018.39
FED NATL MTG ASSN	31371NXC4	44223 4	02/12/09	04/27/09	$1,105 38	$1,138 37	$-32 99
UNITED STATES TREAS BDS	912810PX0	15000	01/29/09	05/06/09	$16,090 96	$17,934 38	$-1,843 42
UNITED STATES TREAS NTS	912828JE1	5000	03/18/09	05/06/09	$4,777 79	$4,888 04	$-110 25
UNITED STATES TREAS NTS	9128276T4	5000	07/03/08	05/06/09	$5,365 61	$5,280.68	$84 93
ROGERS COMMUNICATIONS INC	775109AK7	15000	10/10/08	05/07/09	$15,520 20	$12,866 70	$2,653 50
ROGERS COMMUNICATIONS INC	775109AK7	5000	10/21/08	05/07/09	$5,173 40	$4,296 20	$877 20
FPL GROUP INC	302571104	425	06/17/08	05/08/09	$24,578 59	$28,912 75	$-4,334 16
DU PONT E I DE NEMOURS & CO	263534BT5	20000	07/23/08	05/08/09	$20,747 40	$19,991 60	$755 80
DU PONT E I DE NEMOURS & CO	263534BT5	20000	08/14/08	05/08/09	$20,747 40	$20,337 00	$410 40
ALLEGHENY TECHNOLOGIES INC	01741R102	420	05/27/08	05/13/09	$14,637 42	$30,668 65	$-16,031 23
WISCONSIN ELEC PWR CO	976656BZ0	15000	02/18/09	05/13/09	$14,451 60	$14,625 00	$-173.40
FED HOME LN MTG CORP	3128MBUB1	39218 92	05/29/08	05/15/09	$1,360 31	$1,395 17	$-34.86

Short term transactions

This category includes all assets held 12 months or less.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FEDERAL NATIONAL MORTGAGE	31402DJS0	106468 72	01/28/09	05/26/09	$1,275 60	$343 22	$932.38
FED NATL MTG ASSN	31371NXC4	43161 3	02/12/09	05/26/09	$1,062 09	$1,093 79	$-31 70
U S TREASURY BONDS	912810FG8	10000	01/05/09	06/10/09	$10,693 71	$12,752.38	$-2,058 67
VERIZON COMMUNICATIONS INC	92343VAR5	5000	04/09/09	06/24/09	$6,378 95	$6,008.00	$370 95
VERIZON COMMUNICATIONS INC	92343VAR5	5000	10/31/08	06/24/09	$6,378 95	$4,874.15	$1,504.80
UNITED STATES TREAS NTS	912828JE1	10000	03/18/09	06/24/09	$9,494 59	$9,765.77	$-271 18
UNITED STATES TREAS NTS	912828JE1	10000	03/18/09	06/24/09	$9,494 59	$9,776 09	$-281 50
FED NATL MTG ASSN	31402CYK2	48153 79	05/06/09	06/25/09	$1,171 69	$1,209 95	$-38.26
FED NATL MTG ASSN	31371NXC4	41879 68	02/12/09	06/25/09	$1,281 62	$1,319 87	$-38 25
FEDERAL NATIONAL MORTGAGE	31402DJS0	103648 95	01/28/09	06/25/09	$1,409 89	$379 35	$1,030.54
FLORIDA PWR CORP	341099CL1	5000	04/09/09	07/14/09	$5,571 60	$5,306 35	$265.25
FED NATL MTG ASSN	31402CYK2	46818 85	05/06/09	07/27/09	$1,334 94	$1,378.53	$-43 59
FED NATL MTG ASSN	31371NXC4	40651 56	02/12/09	07/27/09	$1,228 12	$1,264 77	$-36.65
FEDERAL NATIONAL MORTGAGE	31402DJS0	100800 46	01/28/09	07/27/09	$1,424 25	$383 21	$1,041 04
WEATHERFORD INTL LTD	947075AF4	25000	01/06/09	08/07/09	$30,185 50	$26,030 50	$4,155 00
WEATHERFORD INTL LTD	947075AF4	10000	01/05/09	08/07/09	$12,074 20	$9,949 50	$2,124.70
FPL GROUP INC	302571104	100	09/10/08	08/10/09	$5,698 75	$5,478 63	$220 12
UNITED STATES TREAS BDS	912810PX0	15000	01/29/09	08/19/09	$15,463 42	$17,934 37	$-2,470 95
UNITED STATES TREAS BDS	912810PX0	15000	08/07/09	08/19/09	$15,463 42	$14,766 27	$697.15
FED NATL MTG ASSN	31371NXC4	1256 23	02/12/09	08/25/09	$1,256 23	$1,293 72	$-37 49
FED NATL MTG ASSN	31402CYK2	867 1	05/06/09	08/25/09	$867 10	$895 42	$-28 32
FEDERAL NATIONAL MORTGAGE	31402DJS0	2113 13	01/28/09	08/25/09	$2,113 13	$2,179 49	$-66 36
UNITED STATES TREAS NT	912828JH4	5000	04/02/09	08/26/09	$5,221.88	$5,525 22	$-303.34
UNITED STATES TREAS NT	912828JH4	10000	05/06/09	08/26/09	$10,443 75	$10,682.07	$-238.32
FED NATL MTG ASSN	31371NXC4	642 4	02/12/09	08/31/09	$642 40	$661 57	$-19 17
FED NATL MTG ASSN	31402CYK2	698 98	05/06/09	08/31/09	$698 98	$721 81	$-22.83

Short term transactions

This category includes all assets held 12 months or less.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
KRAFT FOODS INC SR NTS	50075NAU8	5000	06/11/09	09/08/09	$5,360 75	$5,101 20	$259 55
KRAFT FOODS INC SR NTS	50075NAU8	5000	12/04/08	09/08/09	$5,360 75	$4,639 24	$721 51
KRAFT FOODS INC SR NTS	50075NAU8	5000	11/03/08	09/08/09	$5,360 75	$4,378 67	$982 08
WACHOVIA CORP NEW SUB NT	929903AJ1	5000	09/19/08	09/08/09	$5,124 30	$3,816 60	$1,307 70
WACHOVIA CORP NEW SUB NT	929903AJ1	5000	09/19/08	09/08/09	$5,124.30	$3,816 60	$1,307.70
MONSANTO CO NEW	61166W101	50	01/13/09	09/10/09	$3,929 82	$3,961 27	$-31.45
MONSANTO CO NEW	61166W101	275	02/06/09	09/10/09	$21,614 02	$23,104 37	$-1,490.35
PSE&G TRANSITION FDG LLC 2001-1	69361YAE3	7116 87	10/06/08	09/17/09	$7,116 87	$7,205.83	$-88 96
UNITED STATES TREAS NTS	912828JE1	9991 4	03/18/09	09/21/09	$9,787 24	$9,974 28	$-187.04
WELLS FARGO & CO NEW SR UNSECD NT	949746NX5	35000	05/08/09	09/21/09	$36,785 35	$33,127 37	$3,657 98
UNITED STATES TREAS NTS	912828JE1	9991.4	10/06/08	09/21/09	$9,787 24	$9,281 87	$505.37
BEMIS CO INC	081437AF2	5000	07/20/09	09/28/09	$5,546 45	$4,984 55	$561 90
BEMIS CO INC	081437AF2	5000	08/13/09	09/28/09	$5,546.45	$5,443 20	$103.25
TIMKEN CO	887389AG9	5000	09/09/09	09/28/09	$5,177 20	$5,078 60	$98 60
ILLINOIS ST	452252FH7	5000	05/12/09	09/28/09	$5,456 20	$5,000 00	$456.20
FED NATL MTG ASSN	31371NXC4	551 66	02/12/09	09/30/09	$551 66	$568 12	$-16.46
FED NATL MTG ASSN	31402CYK2	505 07	05/06/09	09/30/09	$505 07	$521 56	$-16.49
NEWMONT MNG CORP	651639AM8	5000	09/15/09	09/30/09	$4,973 45	$4,940 40	$33.05
FEDERAL NATL MTG ASSN NOTES	31359M4D2	15000	05/21/09	10/09/09	$16,572 15	$16,383 30	$188 85
FEDERAL NATL MTG ASSN NOTES	31359M4D2	15000	05/06/09	10/09/09	$16,572 15	$16,602 30	$-30.15
MONSANTO CO NEW	61166W101	275	01/13/09	10/19/09	$21,129 07	$21,786 98	$-657 91
U S TREASURY BONDS	912810FG8	10000	01/05/09	10/23/09	$11,356 60	$12,752 39	$-1,395 79
FED NATL MTG ASSN	31402CYK2	640 95	05/06/09	10/31/09	$640 95	$661 88	$-20 93
FED NATL MTG ASSN	31371NXC4	635 66	02/12/09	10/31/09	$635 66	$654 63	$-18.97
MORGAN STANLEY GLOBAL NT	617446HR3	5000	06/11/09	11/19/09	$5,303 75	$5,003 25	$300.50
MORGAN STANLEY GLOBAL NT	617446HR3	10000	07/23/09	11/19/09	$10,607 50	$10,346 90	$260 60

Short term transactions

This category includes all assets held 12 months or less.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED NATL MTG ASSN	31371NXC4	995 71	02/12/09	11/30/09	$995 71	$1,025 43	$-29 72
FED NATL MTG ASSN	31402CYK2	706 38	05/06/09	11/30/09	$706 38	$729 45	$-23 07
SPDR SER TR KBW REGL BKG ETF	78464A698	500	12/17/08	12/01/09	$10,453 08	$14,056 70	$-3,603 62
KENTUCKY ST	49151E2Q5	25000	06/24/09	12/02/09	$26,231 25	$25,000 00	$1,231.25
BEXAR CNTY TEX	088365DU2	10000	08/04/09	12/02/09	$10,568 00	$10,000 00	$568 00
UNITED STATES TREAS NT	912828JH4	20000	05/06/09	12/09/09	$21,117 89	$21,364 15	$-246 26
UNITED STATES TREAS NT	912828JH4	25000	09/21/09	12/24/09	$25,670.80	$26,156 35	$-485 55
UNITED STATES TREAS NTS	912828GS3	25000	11/18/09	12/28/09	$26,787 01	$27,492 29	$-705 28
UNITED STATES TREAS NTS	912828GS3	15000	09/28/09	12/28/09	$16,072 21	$16,478 38	$-406 17
UNITED STATES TREAS NT	912828JH4	5000	08/07/09	12/30/09	$5,120 49	$5,067 60	$52 89
UNITED STATES TREAS NT	912828JH4	25000	09/08/09	12/30/09	$25,602 44	$26,152 44	$-550 00
UNITED STATES TREAS NT	912828JH4	5000	09/08/09	12/30/09	$5,120 49	$5,230 49	$-110 00
UNITED STATES TREAS NT	912828JH4	35000	08/07/09	12/30/09	$35,843 41	$35,473 19	$370 22
UNITED STATES TREAS NT	912828JH4	10000	09/21/09	12/30/09	$10,240 97	$10,462 54	$-221.57
FED NATL MTG ASSN	31402CYK2	780 28	05/06/09	01/25/10	$780 28	$805.76	$-25.48
FED NATL MTG ASSN	31371NXC4	1243 42	02/12/09	01/25/10	$1,243 42	$1,280 53	$-37.11
Total short term gain/loss from sales:	Report on Form 1040, Schedule D, line 1, Column d, e and f				$1,199,407.06	$1,237,390 04	$-37,982 98

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED HOME LN MTG CORP	3128M1TK5	95923 13	06/27/07	01/15/09	$799.75	$783.03	$16 72
GOVT NATL MTG ASSN	36290RT94	21639 75	07/24/03	01/15/09	$437 59	$437 59	$0 00
FED HOME LN MTG CORP	31292HUR3	24610 98	05/24/07	01/15/09	$133 49	$133 49	$0 00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED HOME LN MTG CORP	3128M45J8	32915 36	09/07/07	01/15/09	$422 16	$422 16	$0 00
FED HOME LN MTG CORP	3128M1TK5	95923 13	05/17/07	01/15/09	$799 75	$805 67	$-5.92
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	90866 9	05/24/07	01/20/09	$1,015 90	$1,015 90	$0 00
CERNER CORP	156782104	396	10/04/07	01/22/09	$14,230 18	$24,397.64	$-10,167.46
CERNER CORP	156782104	1350	10/26/07	01/22/09	$48,511 98	$78,869 29	$-30,357 31
CHICAGO ILL O HARE	167592Y32	100000	06/19/07	01/23/09	$100,500 00	$99,229 00	$1,271 00
CHICAGO ILL O HARE	167592Y32	50000	06/05/07	01/23/09	$50,250 00	$49,605 50	$644 50
CROWN CASTLE INTL CORP	228227104	2400	01/16/08	01/23/09	$45,584 38	$87,699 12	$-42,114 74
FEDERAL NATIONAL MORTGAGE	31371KY47	90393 15	04/19/07	01/26/09	$712 69	$867 69	$-155 00
FED NATL MTG ASSN	31371LAC3	42361 94	08/06/03	01/26/09	$351 96	$427 34	$-75 38
FED NATL MTG ASSN	31371LAC3	42361 94	09/11/03	01/26/09	$351 96	$283.35	$68.61
FED NATL MTG ASSN	31371LE39	71694 04	05/15/07	01/26/09	$542 53	$542 53	$0 00
FED NATL MTG ASSN	31374T2L2	11316 91	07/18/03	01/26/09	$183 72	$183 72	$0 00
FED NATL MTG ASSN	31384ASC3	4890 08	10/19/99	01/26/09	$12 43	$12 43	$0 00
FED NATL MTG ASSN	31385JRN0	74580 95	08/15/07	01/26/09	$684 47	$684 47	$0 00
FED NATL MTG ASSN	31391Y6J1	32263 12	04/16/03	01/26/09	$398 02	$408 37	$-10 35
FED NATL MTG ASSN	31401JPZ5	82622 84	05/24/07	01/26/09	$285 21	$285 21	$0 00
FEDERAL NATIONAL MORTGAGE	31402DJS0	100752 06	05/03/07	01/26/09	$775 35	$775 35	$0 00
FED NATL MTG ASSN	31402JV61	37280 24	07/15/03	01/26/09	$74 25	$74 25	$0 00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	46760 97	03/16/07	01/26/09	$563 64	$563 64	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	158161 26	05/18/07	01/26/09	$566 80	$783.07	$-216.27
FED NATL MTG ASSN	31402RAD1	70499 99	04/12/07	01/26/09	$705 56	$705 56	$0 00
FEDERAL NATIONAL MORTGAGE	31403C6L0	177294 08	05/16/07	01/26/09	$349 82	$673.73	$-323 91
FEDERAL NATIONAL MORTGAGE	31403C6L0	177294 08	06/27/07	01/26/09	$349 82	$197.27	$152 55
FEDERAL NATIONAL MORTGAGE	31371KY47	90393 15	07/28/03	01/26/09	$712 69	$556 87	$155 82

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED NATL MTG ASSN	31371KXR7	38772 91	08/16/07	01/26/09	$682 52	$682 52	$0 00
FED NATL MTG ASSN	31371K4D0	56959 27	02/24/05	01/26/09	$810 16	$810 16	$0 00
FED NATL MTG ASSN	31371JL36	1843 06	06/07/00	01/26/09	$3 64	$3 64	$0.00
MARSHALL & ILSLEY CORP NEW	571837103	3100	06/20/06	02/06/09	$15,433 27	$111,076 40	$-95,643 13
ZIMMER HLDGS INC	98956P102	480	09/06/05	02/06/09	$19,131 82	$40,073.14	$-20,941 32
ZIMMER HLDGS INC	98956P102	245	02/14/06	02/06/09	$9,765 20	$16,950 82	$-7,185.62
FED HOME LN MTG CORP	31292HUR3	24295 11	05/24/07	02/17/09	$315 87	$315 87	$0.00
FED HOME LN MTG CORP	3128M45J8	32323 66	09/07/07	02/17/09	$591.70	$604.37	$-12 67
FED HOME LN MTG CORP	3128M1TK5	92814 77	05/17/07	02/17/09	$1,554 18	$1,565 69	$-11 51
FED HOME LN MTG CORP	3128M1TK5	92814 77	06/27/07	02/17/09	$1,554 18	$1,521 69	$32 49
GOVT NATL MTG ASSN CMO	38373Y6W9	43607.68	01/22/08	02/17/09	$584 28	$584 28	$0 00
GOVT NATL MTG ASSN	36290RT94	21598 88	07/24/03	02/17/09	$40 87	$40 87	$0 00
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	89488 87	05/24/07	02/20/09	$1,378 03	$1,390 09	$-12 06
FED NATL MTG ASSN	31371KXR7	38380.76	08/16/07	02/25/09	$392 15	$392.15	$0 00
FED NATL MTG ASSN	31371LE39	70801 17	05/15/07	02/25/09	$892 87	$892 87	$0.00
FED NATL MTG ASSN	31374T2L2	11153 6	07/18/03	02/25/09	$163 31	$163.31	$0 00
FED NATL MTG ASSN	31384ASC3	4877 57	10/19/99	02/25/09	$12 51	$12 51	$0 00
FED NATL MTG ASSN	31385JRN0	73229 99	08/15/07	02/25/09	$1,350 97	$1,350 97	$0 00
FED NATL MTG ASSN	31391Y6J1	31764 33	04/16/03	02/25/09	$498 78	$511 76	$-12 98
FED NATL MTG ASSN	31401JPZ5	81720 81	05/24/07	02/25/09	$902 03	$902 03	$0.00
FEDERAL NATIONAL MORTGAGE	31402DJS0	114291.5	05/03/07	02/25/09	$786 69	$1,353 82	$-567.13
FED NATL MTG ASSN	31402JV61	36655 25	07/15/03	02/25/09	$624 99	$624 99	$0 00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	46103 76	03/16/07	02/25/09	$657 21	$657 21	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	155900 2	05/18/07	02/25/09	$1,130.53	$1,561 92	$-431.39
FED NATL MTG ASSN	31402RAD1	69454 66	04/12/07	02/25/09	$1,045 33	$1,045.33	$0.00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FEDERAL NATIONAL MORTGAGE	31402RRS0	138749 54	02/20/08	02/25/09	$722 06	$934 06	$-212.00
FEDERAL NATIONAL MORTGAGE	31403C6L0	175303 81	05/16/07	02/25/09	$663 42	$1,277.71	$-614 29
FEDERAL NATIONAL MORTGAGE	31403C6L0	175303 81	06/27/07	02/25/09	$663 42	$374 11	$289.31
FED NATL MTG ASSN	31371K4D0	55929 45	02/24/05	02/25/09	$1,029 82	$1,029 82	$0 00
FED NATL MTG ASSN	31371JL36	1807 03	06/07/00	02/25/09	$36 03	$36 03	$0.00
FEDERAL NATIONAL MORTGAGE	31371KY47	88838 88	04/19/07	02/25/09	$777 13	$946 16	$-169.03
FEDERAL NATIONAL MORTGAGE	31371KY47	88838 88	07/28/03	02/25/09	$777 13	$607 23	$169 90
FED NATL MTG ASSN	31371LAC3	41680 64	08/06/03	02/25/09	$340 65	$413 60	$-72 95
FED NATL MTG ASSN	31371LAC3	41680 64	09/11/03	02/25/09	$340 65	$274 24	$66 41
ILLINOIS TOOL WKS INC SHELF 4	452308AE9	50000	07/16/03	03/02/09	$50,000 00	$55,927 00	$-5,927 00
FED HOME LN MTG CORP	3128M45J8	31603 04	09/07/07	03/16/09	$720 61	$736 04	$-15.43
GOVT NATL MTG ASSN CMO	38373Y6W9	43020 6	01/22/08	03/16/09	$587 07	$587 07	$0 00
GOVT NATL MTG ASSN	36290RT94	21558 19	07/24/03	03/16/09	$40 69	$40.69	$0 00
FED HOME LN MTG CORP	31292HUR3	23688 19	05/24/07	03/16/09	$606 92	$606 92	$0.00
FED HOME LN MTG CORP	3128M1TK5	89052 08	05/17/07	03/16/09	$1,881 35	$1,895 28	$-13 93
FED HOME LN MTG CORP	3128M1TK5	89052 08	06/27/07	03/16/09	$1,881 35	$1,842 02	$39.33
MCDONALDS CORP MEDIUM TERM NTS	58013MEB6	10000	10/15/07	03/18/09	$10,884 50	$10,029 40	$855 10
APACHE CORP	037411AT2	20000	04/12/07	03/18/09	$20,830 60	$19,958 16	$872 44
CORNING INC	219350105	4425	10/05/07	03/20/09	$55,999 38	$114,541 56	$-58,542.18
CONOCOPHILLIPS	20825C104	1025	03/29/04	03/20/09	$39,656 10	$34,445 13	$5,210 97
CANON INC ADR REPSTG 5 SHS	138006309	550	03/08/04	03/20/09	$14,999 74	$18,379 53	$-3,379 79
CANON INC ADR REPSTG 5 SHS	138006309	500	09/16/03	03/20/09	$13,636 12	$17,241 27	$-3,605.15
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	87909 22	05/24/07	03/20/09	$1,579 65	$1,593 47	$-13 82
FED NATL MTG ASSN	31371LAC3	40935 83	08/06/03	03/25/09	$372 41	$452.16	$-79.75
FEDERAL NATIONAL MORTGAGE	31371KY47	87004 18	07/28/03	03/25/09	$917 35	$716 79	$200.56

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FEDERAL NATIONAL MORTGAGE	31371LDX4	43538 71	03/19/08	03/25/09	$474 72	$474 72	$0 00
FED NATL MTG ASSN	31371LE39	69834 81	05/15/07	03/25/09	$966 37	$966 37	$0 00
FED NATL MTG ASSN	31374T2L2	10932 95	07/18/03	03/25/09	$220 65	$220 65	$0 00
FED NATL MTG ASSN	31384ASC3	4864 97	10/19/99	03/25/09	$12 59	$12.59	$0 00
FED NATL MTG ASSN	31385JRN0	71195 68	08/15/07	03/25/09	$2,034 31	$2,034 31	$0.00
FED NATL MTG ASSN	31391Y6J1	31292 91	04/16/03	03/25/09	$471 43	$483 69	$-12 26
FED NATL MTG ASSN	31401JPZ5	80187 52	05/24/07	03/25/09	$1,533 29	$1,533 29	$0.00
FEDERAL NATIONAL MORTGAGE	31402DJS0	111806 45	05/03/07	03/25/09	$1,242 53	$2,138 29	$-895.76
FED NATL MTG ASSN	31402JV61	35325 05	07/15/03	03/25/09	$1,330 20	$1,330 20	$0 00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	45365 16	03/16/07	03/25/09	$738 60	$738 60	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	152530 04	05/18/07	03/25/09	$1,685 08	$2,328 07	$-642 99
FED NATL MTG ASSN	31402RAD1	68366 92	04/12/07	03/25/09	$1,087 74	$1,087 74	$0 00
FEDERAL NATIONAL MORTGAGE	31402RRS0	136713.74	02/20/08	03/25/09	$1,017 90	$1,316 76	$-298.86
FEDERAL NATIONAL MORTGAGE	31402RRS0	136713 74	03/07/08	03/25/09	$1,017 90	$703.85	$314 05
FEDERAL NATIONAL MORTGAGE	31403C6L0	171992 13	05/16/07	03/25/09	$1,103 90	$2,126 03	$-1,022 13
FEDERAL NATIONAL MORTGAGE	31403C6L0	171992 13	06/27/07	03/25/09	$1,103 90	$622 49	$481.41
FEDERAL NATIONAL MORTGAGE	31403C6L0	171992 13	03/18/08	03/25/09	$1,103 90	$440 42	$663 48
FED NATL MTG ASSN	31414RWL5	53681 58	03/14/08	03/25/09	$1,318 79	$1,346 61	$-27.82
FED NATL MTG ASSN	31371JL36	1755 68	06/07/00	03/25/09	$51 35	$51 35	$0 00
FED NATL MTG ASSN	31371KXR7	37422 15	08/16/07	03/25/09	$958 61	$958.61	$0.00
FED NATL MTG ASSN	31371K4D0	54711 81	02/24/05	03/25/09	$1,217 64	$1,217 64	$0 00
FEDERAL NATIONAL MORTGAGE	31371KY47	87004 18	04/19/07	03/25/09	$917 35	$1,116 88	$-199 53
FED NATL MTG ASSN	31371LAC3	40935 83	09/11/03	03/25/09	$372 41	$299 81	$72 60
ZIMMER HLDGS INC	98956P102	225	02/14/06	04/14/09	$9,277.29	$15,567 07	$-6,289.78
FED HOME LN MTG CORP	3128M1TK5	84904 4	05/17/07	04/15/09	$2,073 84	$2,089.21	$-15 37

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED HOME LN MTG CORP	3128M1TK5	84904 4	06/27/07	04/15/09	$2,073 84	$2,030 49	$43.35
FED HOME LN MTG CORP	3128M45J8	30880 52	09/07/07	04/15/09	$722 52	$737.98	$-15 46
FED HOME LN MTG CORP	31292HUR3	22899 32	05/24/07	04/15/09	$788 87	$788 87	$0.00
GOVT NATL MTG ASSN	36290RT94	21519 52	07/24/03	04/15/09	$38 68	$38 68	$0 00
GOVT NATL MTG ASSN CMO	38373Y6W9	42430 73	01/22/08	04/16/09	$589 88	$589 88	$0.00
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	86098 69	05/24/07	04/20/09	$1,810 52	$1,826 37	$-15.85
MARRIOTT INTL INC NEW CL A	571903202	350	02/14/06	04/24/09	$7,812 46	$11,931 45	$-4,118 99
MARRIOTT INTL INC NEW CL A	571903202	200	01/10/06	04/24/09	$4,464 26	$6,910.17	$-2,445.91
FED NATL MTG ASSN	31371LAC3	40194 96	09/11/03	04/27/09	$370 44	$298 22	$72 22
FEDERAL NATIONAL MORTGAGE	31371KY47	84898 26	04/19/07	04/27/09	$1,052 96	$1,281 98	$-229.02
FED NATL MTG ASSN	31371LE39	68773 03	05/15/07	04/27/09	$1,061 77	$1,061 77	$0 00
FED NATL MTG ASSN	31374T2L2	10695 2	07/18/03	04/27/09	$237 76	$237 76	$0 00
FED NATL MTG ASSN	31384ASC3	4852 29	10/19/99	04/27/09	$12 68	$12 68	$0.00
FED NATL MTG ASSN	31385JRN0	69008 33	08/15/07	04/27/09	$2,187 35	$2,187 35	$0 00
FED NATL MTG ASSN	31391Y6J1	30655 46	04/16/03	04/27/09	$637 45	$654 03	$-16.58
FED NATL MTG ASSN	31401JPZ5	77910 83	05/24/07	04/27/09	$2,276 69	$2,276 69	$0.00
FEDERAL NATIONAL MORTGAGE	31402DJS0	109019 92	05/03/07	04/27/09	$1,393 27	$2,397 70	$-1,004 43
FED NATL MTG ASSN	31402JV61	34844 84	07/15/03	04/27/09	$480 21	$480 21	$0 00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	44474 65	03/16/07	04/27/09	$890 51	$890 51	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	149080 17	05/18/07	04/27/09	$1,724 94	$2,383 14	$-658 20
FEDERAL NATIONAL MORTGAGE	31402QWA5	149080 17	04/08/08	04/27/09	$1,724 94	$1,042 58	$682.36
FED NATL MTG ASSN	31402RAD1	67217 88	04/12/07	04/27/09	$1,149 05	$1,149 05	$0 00
FEDERAL NATIONAL MORTGAGE	31402RRS0	134498 11	02/20/08	04/27/09	$1,107 82	$1,433.08	$-325 26
FEDERAL NATIONAL MORTGAGE	31402RRS0	134498 11	03/07/08	04/27/09	$1,107 82	$766.02	$341 80
FEDERAL NATIONAL MORTGAGE	31403C6L0	168862 44	05/16/07	04/27/09	$1,043 23	$2,009.19	$-965.96

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FEDERAL NATIONAL MORTGAGE	31403C6L0	168862 44	06/27/07	04/27/09	$1,043 23	$588 28	$454 95
FEDERAL NATIONAL MORTGAGE	31403C6L0	168862.44	03/18/08	04/27/09	$1,043.23	$416 22	$627 01
FED NATL MTG ASSN	31414RWL5	52005 22	03/14/08	04/27/09	$1,676 36	$1,711 72	$-35 36
FEDERAL NATIONAL MORTGAGE	31371KY47	84898 26	07/28/03	04/27/09	$1,052 96	$822 75	$230.21
FED NATL MTG ASSN	31371KXR7	36366 29	08/16/07	04/27/09	$1,055 86	$1,055 86	$0 00
FED NATL MTG ASSN	31371K4D0	53358 52	02/24/05	04/27/09	$1,353 30	$1,353 30	$0 00
FED NATL MTG ASSN	31371JL36	1717 9	06/07/00	04/27/09	$37 78	$37 78	$0 00
FED NATL MTG ASSN	31371LAC3	40194 96	08/06/03	04/27/09	$370 44	$449 77	$-79 33
FEDERAL NATIONAL MORTGAGE	31371LDX4	43123 6	03/19/08	04/27/09	$415 11	$415 11	$0 00
FEDERAL NATIONAL MORTGAGE	31403C6L0	45000	06/27/07	05/01/09	$34,016 25	$31,084 29	$2,931 96
FEDERAL NATIONAL MORTGAGE	31403C6L0	150000	05/16/07	05/01/09	$113,387 50	$106,217 58	$7,169 92
FEDERAL NATIONAL MORTGAGE	31403C6L0	30000	03/18/08	05/01/09	$22,677 50	$22,019 23	$658.27
FEDERAL NATIONAL MORTGAGE	31371LDX4	70000	03/19/08	05/01/09	$43,408 88	$43,408 88	$0 00
BOEING CO	097023105	625	02/16/07	05/08/09	$28,499 90	$56,927 75	$-28,427 85
CANADIAN NATL RY CO NT	136375BH4	50000	03/16/07	05/12/09	$51,089 00	$48,622 63	$2,466 37
WALGREEN CO	931422109	200	08/03/99	05/13/09	$6,090 22	$5,584 82	$505.40
WALGREEN CO	931422109	420	10/29/99	05/13/09	$12,789 47	$10,713.15	$2,076 32
FED HOME LN MTG CORP	3128M45J8	30216 05	09/07/07	05/15/09	$664 47	$678.69	$-14 22
GOVT NATL MTG ASSN	36290RT94	20985 54	07/24/03	05/15/09	$533 98	$533 98	$0 00
FED HOME LN MTG CORP	31292HUR3	22106 22	05/24/07	05/15/09	$793 10	$793.10	$0.00
FED HOME LN MTG CORP	3128M1TK5	80967 49	05/17/07	05/15/09	$1,968 46	$1,983 04	$-14.58
FED HOME LN MTG CORP	3128M1TK5	80967 49	06/27/07	05/15/09	$1,968 46	$1,927 31	$41 15
GOVT NATL MTG ASSN CMO	38373Y6W9	41838 03	01/22/08	05/18/09	$592 69	$592 69	$0.00
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	84477 31	05/24/07	05/20/09	$1,621.39	$1,635 57	$-14.18
FED NATL MTG ASSN	31384ASC3	4839 53	10/19/99	05/26/09	$12 76	$12 76	$0.00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED NATL MTG ASSN	31385JRN0	67096 44	08/15/07	05/26/09	$1,911 89	$1,911.89	$0 00
FED NATL MTG ASSN	31391Y6J1	29984 54	04/16/03	05/26/09	$670 92	$688 38	$-17 46
FED NATL MTG ASSN	31401JPZ5	76009 6	05/24/07	05/26/09	$1,901 23	$1,901.23	$0 00
FEDERAL NATIONAL MORTGAGE	31402DJS0	106468 72	05/03/07	05/26/09	$1,275 60	$2,195 21	$-919.61
FED NATL MTG ASSN	31402JV61	34256 92	07/15/03	05/26/09	$587 92	$587.92	$0 00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	43655 05	03/16/07	05/26/09	$819 60	$819 60	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	145372 47	05/18/07	05/26/09	$1,853 85	$2,561 24	$-707 39
FEDERAL NATIONAL MORTGAGE	31402QWA5	145372 47	04/08/08	05/26/09	$1,853 85	$1,120 49	$733 36
FED NATL MTG ASSN	31402RAD1	65811 53	04/12/07	05/26/09	$1,406 35	$1,406.35	$0 00
FEDERAL NATIONAL MORTGAGE	31402RRS0	132648 06	02/20/08	05/26/09	$925 02	$1,196 61	$-271 59
FEDERAL NATIONAL MORTGAGE	31402RRS0	132648 06	03/07/08	05/26/09	$925 02	$639 62	$285.40
FED NATL MTG ASSN	31414RWL5	50770 16	03/14/08	05/26/09	$1,235 07	$1,261 12	$-26 05
FED NATL MTG ASSN	31371K4D0	52217 78	02/24/05	05/26/09	$1,140 74	$1,140 74	$0 00
FED NATL MTG ASSN	31374T2L2	10413 68	07/18/03	05/26/09	$281 52	$293 35	$-11.83
FED NATL MTG ASSN	31371LE39	67804 93	05/15/07	05/26/09	$968 11	$968 11	$0.00
FED NATL MTG ASSN	31371LAC3	39373 31	09/11/03	05/26/09	$410 83	$330.74	$80.09
FED NATL MTG ASSN	31371LAC3	39373 31	08/06/03	05/26/09	$410 83	$498.81	$-87 98
FEDERAL NATIONAL MORTGAGE	31371KY47	82658 59	04/19/07	05/26/09	$1,119 84	$1,363 40	$-243 56
FED NATL MTG ASSN	31371JL36	1714 46	06/07/00	05/26/09	$3 44	$3 44	$0 00
FED NATL MTG ASSN	31371KXR7	35305.39	08/16/07	05/26/09	$1,060 91	$1,060 91	$0 00
FEDERAL NATIONAL MORTGAGE	31371KY47	82658 59	07/28/03	05/26/09	$1,119 84	$875 01	$244 83
FED HOME LN MTG CORP	31292HUR3	21331 04	05/24/07	06/15/09	$775 18	$775 18	$0 00
FED HOME LN MTG CORP	3128M45J8	29537 6	09/07/07	06/15/09	$678 45	$692.98	$-14.53
FED HOME LN MTG CORP	3128M1TK5	77794 98	06/27/07	06/15/09	$1,586 26	$1,553 10	$33.16
FED HOME LN MTG CORP	3128M1TK5	77794 98	05/17/07	06/15/09	$1,586 26	$1,598 01	$-11.75

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
GOVT NATL MTG ASSN	36290RT94	20515 38	07/24/03	06/15/09	$470 16	$470 16	$0 00
FED HOME LN MTG CORP	3128MBUB1	37655 72	05/29/08	06/15/09	$1,563 20	$1,603 25	$-40 05
GOVT NATL MTG ASSN CMO	38373Y6W9	41242 51	01/22/08	06/16/09	$595 52	$595 52	$0 00
DAVITA INC	23918K108	375	11/08/06	06/17/09	$17,762 84	$19,819 05	$-2,056 21
DAVITA INC	23918K108	300	01/16/07	06/17/09	$14,210.27	$16,061 34	$-1,851 07
THERMO ELECTRON CORP	883556102	775	04/03/06	06/17/09	$31,732.18	$26,434.16	$5,298.02
VARIAN MED SYS INC	92220P105	550	08/25/04	06/17/09	$20,187 38	$18,030 54	$2,156 84
CORNING INC	219350105	3400	10/26/07	06/22/09	$51,457 67	$81,775 10	$-30,317.43
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	82768 24	05/24/07	06/22/09	$1,709 07	$1,724 02	$-14.95
CORNING INC	219350105	225	10/05/07	06/22/09	$3,405 29	$5,824 15	$-2,418 86
FEDERAL NATIONAL MORTGAGE	31402DJS0	103648 95	05/03/07	06/25/09	$1,409 89	$2,426 30	$-1,016 41
FED NATL MTG ASSN	31402JV61	33188 73	07/15/03	06/25/09	$1,068 19	$1,068 19	$0.00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	42662 72	03/16/07	06/25/09	$992 33	$992.33	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	141545 24	05/18/07	06/25/09	$1,913.62	$2,643 81	$-730.19
FEDERAL NATIONAL MORTGAGE	31402QWA5	141545.24	04/08/08	06/25/09	$1,913 62	$1,156 61	$757 01
FED NATL MTG ASSN	31402RAD1	64556 13	04/12/07	06/25/09	$1,255 39	$1,255 39	$0 00
FEDERAL NATIONAL MORTGAGE	31402RRS0	129795 95	02/20/08	06/25/09	$1,426 06	$1,844 75	$-418 69
FEDERAL NATIONAL MORTGAGE	31402RRS0	129795 95	03/07/08	06/25/09	$1,426 06	$986 07	$439 99
FED NATL MTG ASSN	31414RWL5	50174 49	03/14/08	06/25/09	$595 67	$608 23	$-12.56
FED NATL MTG ASSN	31401JPZ5	72805 88	05/24/07	06/25/09	$3,203 72	$3,203.72	$0 00
FED NATL MTG ASSN	31391Y6J1	29217 96	04/16/03	06/25/09	$766 57	$786 52	$-19 95
FED NATL MTG ASSN	31385JRN0	64798 82	08/15/07	06/25/09	$2,297 62	$2,297 62	$0 00
VARIAN MED SYS INC	92220P105	1125	08/25/04	06/25/09	$39,615 07	$36,880 65	$2,734 42
FED NATL MTG ASSN	31374T2L2	10202 74	07/18/03	06/25/09	$210 94	$210 94	$0 00
FED NATL MTG ASSN	31371LE39	66531 63	05/15/07	06/25/09	$1,273.30	$1,273 30	$0.00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED NATL MTG ASSN	31371LAC3	38502 82	09/11/03	06/25/09	$435 25	$350.40	$84 85
FED NATL MTG ASSN	31371LAC3	38502 82	08/06/03	06/25/09	$435 25	$528.46	$-93.21
FEDERAL NATIONAL MORTGAGE	31371KY47	80488 8	04/19/07	06/25/09	$1,084 89	$1,320.86	$-235.97
FEDERAL NATIONAL MORTGAGE	31371KY47	80488 8	07/28/03	06/25/09	$1,084 89	$847 70	$237.19
FED NATL MTG ASSN	31371KXR7	34317 02	08/16/07	06/25/09	$988 37	$988 37	$0 00
FED NATL MTG ASSN	31371K4D0	50952 15	02/24/05	06/25/09	$1,265 64	$1,265 64	$0 00
FED NATL MTG ASSN	31371JL36	1676 51	06/07/00	06/25/09	$37 95	$37 95	$0 00
BOEING CO	097023105	750	02/16/07	06/25/09	$31,666 44	$68,313 30	$-36,646 86
FED NATL MTG ASSN	31384ASC3	4826 68	10/19/99	06/25/09	$12 85	$12.85	$0 00
ILLINOIS TOOL WORKS INC	452308109	550	08/03/99	06/26/09	$20,501 27	$20,282 62	$218 65
ILLINOIS TOOL WORKS INC	452308109	450	11/24/99	06/26/09	$16,773 77	$15,149.25	$1,624 52
NORTHERN TRUST CORP	665859104	500	04/21/05	06/26/09	$26,616 81	$22,207.50	$4,409.31
PEPSICO INC	713448108	800	03/29/04	06/26/09	$43,258 88	$41,760.00	$1,498.88
APPLIED MATERIALS INC	038222105	3040	08/08/07	06/26/09	$33,211 14	$69,916.05	$-36,704 91
APACHE CORP	037411105	300	02/24/04	06/26/09	$21,660 94	$11,766 96	$9,893.98
APPLIED MATERIALS INC	038222105	1725	10/05/07	06/26/09	$18,845 13	$36,165 31	$-17,320 18
MARATHON OIL CORP SR NT	565849AE6	25000	10/19/07	07/14/09	$24,324 00	$26,124 00	$-1,800 00
FED HOME LN MTG CORP	3128M1TK5	74189 55	05/17/07	07/15/09	$1,802 72	$1,816.07	$-13 35
GOVT NATL MTG ASSN	36290RT94	20471 22	07/24/03	07/15/09	$44 16	$44 16	$0 00
FED HOME LN MTG CORP	31292HUR3	20624.95	05/24/07	07/15/09	$706 09	$706.09	$0 00
FED HOME LN MTG CORP	3128MBUB1	36123 26	05/29/08	07/15/09	$1,532 46	$1,571 73	$-39 27
FED HOME LN MTG CORP	3128M45J8	28745 49	09/07/07	07/15/09	$792 11	$809 07	$-16 96
FED HOME LN MTG CORP	3128M1TK5	74189 55	06/27/07	07/15/09	$1,802 72	$1,765 03	$37.69
GOVT NATL MTG ASSN CMO	38373Y6W9	40644 15	01/22/08	07/16/09	$598 36	$598.36	$0 00
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	80874 87	05/24/07	07/20/09	$1,893 37	$1,909 93	$-16.56

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
NORTHERN TRUST CORP	665859104	215	10/13/04	07/21/09	$12,294 84	$8,552 70	$3,742 14
NORTHERN TRUST CORP	665859104	285	04/21/05	07/21/09	$16,297 82	$12,658 27	$3,639 55
MEDTRONIC INC	585055106	1125	11/16/01	07/21/09	$39,212 89	$46,945 69	$-7,732 80
FPL GROUP INC	302571104	500	06/17/08	07/21/09	$29,254.44	$34,015.00	$-4,760 56
WALGREEN CO	931422109	800	10/29/99	07/21/09	$23,740 82	$20,406 00	$3,334.82
NORTHERN TR CORP	665859AG9	50000	05/03/07	07/22/09	$53,312 50	$50,405 50	$2,907 00
FED NATL MTG ASSN	31371JL36	1640 76	06/07/00	07/27/09	$35 76	$35 76	$0 00
FED NATL MTG ASSN	31371K4D0	49566 31	02/24/05	07/27/09	$1,385 83	$1,385 83	$0.00
FED NATL MTG ASSN	31371KXR7	33407 52	08/16/07	07/27/09	$909 50	$909 50	$0 00
FEDERAL NATIONAL MORTGAGE	31371KY47	78411 62	07/28/03	07/27/09	$1,038 59	$811.52	$227 07
FEDERAL NATIONAL MORTGAGE	31371KY47	78411 62	04/19/07	07/27/09	$1,038 59	$1,264 48	$-225 89
FED NATL MTG ASSN	31371LAC3	37538 91	08/06/03	07/27/09	$481 95	$585 17	$-103 22
FED NATL MTG ASSN	31371LAC3	37538 91	09/11/03	07/27/09	$481 95	$388 00	$93 95
FED NATL MTG ASSN	31371LE39	65425 19	05/15/07	07/27/09	$1,106 44	$1,106 44	$0 00
FED NATL MTG ASSN	31374T2L2	9938	07/18/03	07/27/09	$264 74	$275 87	$-11 13
FED NATL MTG ASSN	31384ASC3	4813 74	10/19/99	07/27/09	$12 94	$12 94	$0.00
FED NATL MTG ASSN	31385JRN0	62894 23	08/15/07	07/27/09	$1,904 59	$1,904 59	$0 00
FED NATL MTG ASSN	31391Y6J1	28035 31	04/16/03	07/27/09	$1,182 65	$1,213 42	$-30 77
FED NATL MTG ASSN	31401JPZ5	69624 17	05/24/07	07/27/09	$3,181 71	$3,181 71	$0 00
FEDERAL NATIONAL MORTGAGE	31402DJS0	100800 46	05/03/07	07/27/09	$1,424 25	$2,451 02	$-1,026 77
FED NATL MTG ASSN	31402JV61	31562 68	07/15/03	07/27/09	$1,626 06	$1,626 06	$0 00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	41838 15	03/16/07	07/27/09	$824 57	$824 57	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	137739 22	05/18/07	07/27/09	$1,903.02	$2,629.16	$-726 14
FEDERAL NATIONAL MORTGAGE	31402QWA5	137739 22	04/08/08	07/27/09	$1,903 02	$1,150 21	$752 81
FED NATL MTG ASSN	31402RAD1	63167.88	04/12/07	07/27/09	$1,388 25	$1,388 25	$0 00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FEDERAL NATIONAL MORTGAGE	31402RRS0	128023 99	02/20/08	07/27/09	$885 98	$1,146 11	$-260 13
FEDERAL NATIONAL MORTGAGE	31402RRS0	128023.99	03/07/08	07/27/09	$885 98	$612.63	$273 35
FED NATL MTG ASSN	31414RWL5	49542.28	03/14/08	07/27/09	$632.21	$645 55	$-13.34
MARRIOTT INTL INC NEW CL A	571903202	0 13	02/14/06	07/30/09	$2 77	$4 38	$-1 61
ABBOTT LABS	002824100	525	04/08/04	07/31/09	$23,701 45	$21,087 00	$2,614.45
MARATHON OIL CORP SR NT	565849AE6	15000	10/19/07	08/07/09	$15,405 45	$15,674.40	$-268 95
MARATHON OIL CORP SR NT	565849AE6	10000	05/02/08	08/07/09	$10,270 30	$10,255.90	$14 40
ZIMMER HLDGS INC	98956P102	1125	08/04/06	08/10/09	$51,666 09	$73,967 62	$-22,301 53
AIR PRODUCTS & CHEMICALS INC	009158106	400	03/25/04	08/10/09	$29,517 24	$19,801 32	$9,715 92
APACHE CORP	037411105	300	02/24/04	08/10/09	$26,382 82	$11,766 97	$14,615 85
DU PONT (E I) DE NEMOURS & CO	263534109	300	02/06/07	08/10/09	$9,679 25	$15,166 44	$-5,487 19
FPL GROUP INC	302571104	600	08/06/08	08/10/09	$34,192 52	$34,379.76	$-187 24
DU PONT (E I) DE NEMOURS & CO	263534109	450	01/16/07	08/10/09	$14,518 87	$22,592.66	$-8,073 79
FPL GROUP INC	302571104	300	06/17/08	08/10/09	$17,096 26	$20,409 00	$-3,312 74
ZIMMER HLDGS INC	98956P102	30	02/14/06	08/10/09	$1,377 76	$2,075 61	$-697.85
BANK AMERICA CORP	060505104	1400	11/30/07	08/11/09	$23,398 57	$64,710 24	$-41,311 67
GOVT NATL MTG ASSN CMO	38373Y6W9	40042 93	01/22/08	08/17/09	$601 22	$601 22	$0 00
FED HOME LN MTG CORP	31292HUR3	20027 47	05/24/07	08/17/09	$597 48	$597 48	$0 00
GOVT NATL MTG ASSN	36290RT94	20427 82	07/24/03	08/17/09	$43 40	$43 40	$0 00
FED HOME LN MTG CORP	3128M1TK5	71255 89	05/17/07	08/17/09	$1,466 83	$1,477 70	$-10 87
FED HOME LN MTG CORP	3128M1TK5	71255 89	06/27/07	08/17/09	$1,466 83	$1,436 17	$30 66
FED HOME LN MTG CORP	3128M45J8	28165 96	09/07/07	08/17/09	$579.53	$591.93	$-12 40
FED HOME LN MTG CORP	3128MBUB1	34880 88	05/29/08	08/17/09	$1,242 38	$1,274.22	$-31 84
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	78164 88	05/24/07	08/20/09	$2,710 00	$2,733 71	$-23.71
FED NATL MTG ASSN	31371LE39	1154 39	05/15/07	08/25/09	$1,154 39	$1,154 39	$0.00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED NATL MTG ASSN	31374T2L2	190 37	07/18/03	08/25/09	$190 37	$190 37	$0.00
FED NATL MTG ASSN	31384ASC3	13 02	10/19/99	08/25/09	$13.02	$13 02	$0 00
FED NATL MTG ASSN	31385JRN0	1722 72	08/15/07	08/25/09	$1,722 72	$1,722 72	$0.00
FED NATL MTG ASSN	31391Y6J1	772 41	04/16/03	08/25/09	$772.41	$792 51	$-20.10
FED NATL MTG ASSN	31401JPZ5	2235 94	05/24/07	08/25/09	$2,235 94	$2,235 94	$0.00
FED NATL MTG ASSN	31402JV61	654 09	07/15/03	08/25/09	$654 09	$654 09	$0.00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	938 1	03/16/07	08/25/09	$938.10	$938 10	$0.00
FEDERAL NATIONAL MORTGAGE	31402QWA5	2796 23	04/08/08	08/25/09	$2,796 23	$2,833 37	$-37 14
FED NATL MTG ASSN	31402RAD1	1400 36	04/12/07	08/25/09	$1,400 36	$1,400 36	$0 00
FEDERAL NATIONAL MORTGAGE	31402RRS0	2095 04	02/20/08	08/25/09	$2,095 04	$2,095 04	$0 00
FED NATL MTG ASSN	31414RWL5	1536 27	03/14/08	08/25/09	$1,536 27	$1,568 68	$-32.41
FED NATL MTG ASSN	31371JL36	3 8	06/07/00	08/25/09	$3 80	$3 80	$0.00
FED NATL MTG ASSN	31371K4D0	1302 3	02/24/05	08/25/09	$1,302 30	$1,302 30	$0 00
FED NATL MTG ASSN	31371KXR7	744 21	08/16/07	08/25/09	$744 21	$744 21	$0 00
FEDERAL NATIONAL MORTGAGE	31371KY47	1848 72	07/28/03	08/25/09	$1,848.72	$1,877 90	$-29 18
FED NATL MTG ASSN	31371LAC3	909 01	09/11/03	08/25/09	$909 01	$923 92	$-14.91
GENERAL ELECTRIC CO	369604103	2100	10/29/99	08/26/09	$29,472 74	$94,936 66	$-65,463 92
MARRIOTT INTL INC NEW CL A	571903202	945	02/14/06	08/26/09	$23,243 66	$31,975 29	$-8,731.63
DEERE & CO	244199105	25	11/11/04	08/28/09	$1,109 49	$861 73	$247 76
DEERE & CO	244199105	700	12/09/04	08/28/09	$31,065 76	$24,345 37	$6,720 39
FED NATL MTG ASSN	31374T2L2	148 41	07/18/03	08/31/09	$148 41	$148 41	$0 00
FED NATL MTG ASSN	31384ASC3	13 11	10/19/99	08/31/09	$13 11	$13 11	$0 00
FED NATL MTG ASSN	31385JRN0	1249 94	08/15/07	08/31/09	$1,249 94	$1,249 94	$0 00
FED NATL MTG ASSN	31391Y6J1	647 83	04/16/03	08/31/09	$647 83	$664 68	$-16 85
FED NATL MTG ASSN	31401JPZ5	1486 88	05/24/07	08/31/09	$1,486 88	$1,486 88	$0.00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FEDERAL NATIONAL MORTGAGE	31402DJS0	1546 42	05/03/07	08/31/09	$1,546 42	$1,546 42	$0 00
FED NATL MTG ASSN	31402JV61	520 18	07/15/03	08/31/09	$520 18	$520 18	$0 00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	713 61	03/16/07	08/31/09	$713 61	$713 61	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	2024 1	05/18/07	08/31/09	$2,024 10	$2,024 10	$0 00
FED NATL MTG ASSN	31402RAD1	1150 89	04/12/07	08/31/09	$1,150 89	$1,150 89	$0 00
FEDERAL NATIONAL MORTGAGE	31402RRS0	1493 74	02/20/08	08/31/09	$1,493 74	$1,493 74	$0 00
FED NATL MTG ASSN	31414RWL5	1144 31	03/14/08	08/31/09	$1,144 31	$1,168 45	$-24.14
FED HOME LN MTG CORP	3128M1TK5	2327 91	05/17/07	08/31/09	$2,327 91	$2,327 91	$0 00
FED HOME LN MTG CORP	3128M45J8	593 28	09/07/07	08/31/09	$593 28	$605 98	$-12 70
FED HOME LN MTG CORP	3128MBUB1	884 79	05/29/08	08/31/09	$884 79	$907 46	$-22 67
FED HOME LN MTG CORP	31292HUR3	441 24	05/24/07	08/31/09	$441 24	$441 24	$0 00
FED NATL MTG ASSN	31371JL36	3 44	06/07/00	08/31/09	$3 44	$3 44	$0 00
FED NATL MTG ASSN	31371K4D0	943 13	02/24/05	08/31/09	$943 13	$943.13	$0 00
FED NATL MTG ASSN	31371KXR7	686 03	08/16/07	08/31/09	$686 03	$686 03	$0 00
FEDERAL NATIONAL MORTGAGE	31371KY47	1510 93	07/28/03	08/31/09	$1,510 93	$1,534 77	$-23 84
FED NATL MTG ASSN	31371LE39	917 03	05/15/07	08/31/09	$917 03	$917 03	$0 00
GOVT NATL MTG ASSN CMO	38373Y6W9	604 09	01/22/08	08/31/09	$604 09	$604 09	$0 00
FED NATL MTG ASSN	31371LAC3	672 68	08/06/03	08/31/09	$672 68	$672 68	$0 00
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	1785 73	05/24/07	08/31/09	$1,785 73	$1,801 36	$-15 63
GOVT NATL MTG ASSN	36290RT94	38 28	07/24/03	08/31/09	$38 28	$38 28	$0 00
CVS CAREMARK CORP SR NT	126650BH2	20000	05/07/08	09/08/09	$21,430 80	$20,188 80	$1,242 00
CARNIVAL CORP PAIRED CTF 1 COM	143658300	250	07/23/03	09/10/09	$8,026 04	$8,125 33	$-99 29
ARCHER DANIELS MIDLAND	039483102	1975	04/21/05	09/10/09	$56,790 05	$40,542 41	$16,247 64
MARRIOTT INTL INC NEW CL A	571903202	0 6	02/14/06	09/14/09	$13 88	$20 17	$-6 29
FED NATL MTG ASSN	31401JPZ5	65901 35	05/24/07	09/23/09	$69,083 15	$69,083 15	$0.00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED HOME LN MTG CORP	31292HUR3	19586 23	05/24/07	09/23/09	$20,261 03	$20,261 03	$0 00
FED NATL MTG ASSN	31385JRN0	1209 09	08/15/07	09/30/09	$1,209 09	$1,209 09	$0 00
FED NATL MTG ASSN	31391Y6J1	411 06	04/16/03	09/30/09	$411 06	$421 75	$-10 69
FEDERAL NATIONAL MORTGAGE	31402DJS0	1408 89	05/03/07	09/30/09	$1,408 89	$1,408 89	$0 00
FED NATL MTG ASSN	31402JV61	579 45	07/15/03	09/30/09	$579 45	$579 45	$0 00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	705 12	03/16/07	09/30/09	$705 12	$705 12	$0.00
FEDERAL NATIONAL MORTGAGE	31402QWA5	1813 81	05/18/07	09/30/09	$1,813 81	$1,813 81	$0 00
FED NATL MTG ASSN	31402RAD1	1137 26	04/12/07	09/30/09	$1,137 26	$1,137 26	$0.00
FEDERAL NATIONAL MORTGAGE	31402RRS0	1740 39	02/20/08	09/30/09	$1,740 39	$1,740 39	$0.00
FED NATL MTG ASSN	31414RWL5	951 23	03/14/08	09/30/09	$951 23	$971 29	$-20 06
FED HOME LN MTG CORP	3128M1TK5	2007 81	05/17/07	09/30/09	$2,007 81	$2,007 81	$0 00
FED HOME LN MTG CORP	3128M45J8	439 21	09/07/07	09/30/09	$439 21	$439 21	$0 00
FED HOME LN MTG CORP	3128MBUB1	925 65	05/29/08	09/30/09	$925 65	$949 37	$-23.72
FED NATL MTG ASSN	31371JL36	4 23	06/07/00	09/30/09	$4 23	$4 23	$0 00
FED NATL MTG ASSN	31371K4D0	965 99	02/24/05	09/30/09	$965.99	$965 99	$0.00
FED NATL MTG ASSN	31371KXR7	392 69	08/16/07	09/30/09	$392 69	$392 69	$0 00
FEDERAL NATIONAL MORTGAGE	31371KY47	1537 13	07/28/03	09/30/09	$1,537 13	$1,561 39	$-24 26
FED NATL MTG ASSN	31384ASC3	13 2	10/19/99	09/30/09	$13 20	$13 20	$0.00
FED NATL MTG ASSN	31374T2L2	168 77	07/18/03	09/30/09	$168 77	$168 77	$0 00
FED NATL MTG ASSN	31371LE39	860 99	05/15/07	09/30/09	$860 99	$860 99	$0 00
GOVT NATL MTG ASSN CMO	38373Y6W9	606 98	01/22/08	09/30/09	$606 98	$606 98	$0 00
FED NATL MTG ASSN	31371LAC3	819 7	08/06/03	09/30/09	$819 70	$819 70	$0 00
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	2459 14	05/24/07	09/30/09	$2,459 14	$2,480 66	$-21.52
GOVT NATL MTG ASSN	36290RT94	40 88	07/24/03	09/30/09	$40.88	$40 88	$0.00
BANK AMERICA CORP	060505104	1700	07/16/08	10/16/09	$29,349 91	$36,387 48	$-7,037.57

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
BANK AMERICA CORP	060505104	950	01/29/08	10/16/09	$16,401 42	$39,771 18	$-23,369 76
BANK AMERICA CORP	060505104	600	11/30/07	10/16/09	$10,358 79	$27,732 96	$-17,374 17
PERRIGO CO	714290103	600	08/06/08	10/21/09	$22,516 40	$22,029 66	$486.74
SCHLUMBERGER LTD	806857108	400	01/28/05	10/21/09	$27,353 29	$13,365 36	$13,987 93
ITT INDS INC IND	450911102	500	10/24/06	10/21/09	$27,799 48	$27,166 70	$632 78
ILLINOIS TOOL WORKS INC	452308109	500	11/24/99	10/21/09	$24,693 86	$16,832 50	$7,861 36
MARRIOTT INTL INC NEW CL A	571903202	387 86	11/08/05	10/21/09	$10,787 96	$11,788 59	$-1,000 63
MARRIOTT INTL INC NEW CL A	571903202	112 14	02/14/06	10/21/09	$3,119 18	$3,794 50	$-675 32
ABBOTT LABS	002824100	400	04/08/04	10/21/09	$20,665 46	$16,066 29	$4,599 17
AIR PRODUCTS & CHEMICALS INC	009158106	500	03/25/04	10/21/09	$41,638 17	$24,751 65	$16,886 52
THERMO ELECTRON CORP	883556102	1350	04/03/06	10/26/09	$64,185 04	$46,046 61	$18,138.43
ALLEGHENY TECHNOLOGIES INC	01741R102	180	05/27/08	10/28/09	$5,396 26	$13,143 71	$-7,747 45
ALLEGHENY TECHNOLOGIES INC	01741R102	675	07/16/08	10/28/09	$20,235 98	$36,702.52	$-16,466 54
ITT INDS INC IND	450911102	125	10/24/06	10/28/09	$6,701 90	$6,791 68	$-89 78
FED NATL MTG ASSN	31414RWL5	1600 84	03/14/08	10/31/09	$1,600 84	$1,634 61	$-33.77
FED HOME LN MTG CORP	3128M1TK5	2112 57	05/17/07	10/31/09	$2,112 57	$2,112 57	$0 00
FED HOME LN MTG CORP	3128M45J8	507 38	09/07/07	10/31/09	$507 38	$518 24	$-10 86
FED HOME LN MTG CORP	3128MBUB1	875 11	05/29/08	10/31/09	$875 11	$897 54	$-22 43
FED NATL MTG ASSN	31371JL36	34 41	06/07/00	10/31/09	$34 41	$34 41	$0 00
FED NATL MTG ASSN	31371K4D0	1005 63	02/24/05	10/31/09	$1,005 63	$1,005 63	$0 00
FED NATL MTG ASSN	31371KXR7	737 51	08/16/07	10/31/09	$737 51	$737 51	$0 00
FEDERAL NATIONAL MORTGAGE	31402RRS0	1492 21	02/20/08	10/31/09	$1,492 21	$1,492 21	$0 00
FED NATL MTG ASSN	31402RAD1	1196 7	04/12/07	10/31/09	$1,196 70	$1,196 70	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	2046 85	05/18/07	10/31/09	$2,046 85	$2,046.85	$0 00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	682 89	03/16/07	10/31/09	$682 89	$682.89	$0.00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED NATL MTG ASSN	31402JV61	163 27	07/15/03	10/31/09	$163 27	$163 27	$0 00
FEDERAL NATIONAL MORTGAGE	31402DJS0	1444 22	05/03/07	10/31/09	$1,444 22	$1,444 22	$0 00
FED NATL MTG ASSN	31391Y6J1	671 76	04/16/03	10/31/09	$671 76	$689 24	$-17 48
FED NATL MTG ASSN	31385JRN0	1148 12	08/15/07	10/31/09	$1,148 12	$1,148 12	$0.00
FED NATL MTG ASSN	31384ASC3	13 29	10/19/99	10/31/09	$13 29	$13 29	$0 00
FED NATL MTG ASSN	31374T2L2	185 68	07/18/03	10/31/09	$185 68	$185 68	$0.00
FED NATL MTG ASSN	31371LE39	837 72	05/15/07	10/31/09	$837 72	$837 72	$0 00
FED NATL MTG ASSN	31371LAC3	913 08	08/06/03	10/31/09	$913 08	$913 08	$0 00
GOVT NATL MTG ASSN CMO	38373Y6W9	609 87	01/22/08	10/31/09	$609 87	$609 87	$0.00
FEDERAL NATIONAL MORTGAGE	31371KY47	1618 46	07/28/03	10/31/09	$1,618 46	$1,644 00	$-25.54
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	2151 62	05/24/07	10/31/09	$2,151 62	$2,170 45	$-18.83
GOVT NATL MTG ASSN	36290RT94	42 93	07/24/03	10/31/09	$42 93	$42 93	$0 00
CVS CAREMARK CORP SR NT	126650BH2	25000	05/07/08	11/18/09	$26,627 25	$25,236 00	$1,391.25
MORGAN STANLEY GLOBAL NT	617446HR3	10000	10/14/08	11/19/09	$10,607 50	$8,982 05	$1,625.45
MORGAN STANLEY GLOBAL NT	617446HR3	5000	10/14/08	11/19/09	$5,303 75	$4,491 02	$812 73
MORGAN STANLEY GLOBAL NT	617446HR3	5000	10/14/08	11/19/09	$5,303 75	$4,491 02	$812.73
FED NATL MTG ASSN	31371LE39	905 97	05/15/07	11/30/09	$905 97	$905 97	$0 00
FED NATL MTG ASSN	31374T2L2	133 51	07/18/03	11/30/09	$133 51	$133 51	$0 00
FED NATL MTG ASSN	31384ASC3	13 38	10/19/99	11/30/09	$13 38	$13 38	$0.00
FED NATL MTG ASSN	31385JRN0	1092 07	08/15/07	11/30/09	$1,092 07	$1,092 07	$0 00
FED NATL MTG ASSN	31391Y6J1	271 08	04/16/03	11/30/09	$271 08	$271.08	$0 00
FEDERAL NATIONAL MORTGAGE	31402DJS0	1486 62	05/03/07	11/30/09	$1,486 62	$1,486 62	$0.00
FED NATL MTG ASSN	31402JV61	244 12	07/15/03	11/30/09	$244.12	$244 12	$0.00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	705 64	03/16/07	11/30/09	$705 64	$705 64	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	2056 57	05/18/07	11/30/09	$2,056 57	$2,056 57	$0 00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
FED NATL MTG ASSN	31402RAD1	1128 59	04/12/07	11/30/09	$1,128 59	$1,128 59	$0 00
FEDERAL NATIONAL MORTGAGE	31402RRS0	1475 24	02/20/08	11/30/09	$1,475 24	$1,475 24	$0 00
FED NATL MTG ASSN	31414RWL5	1802 16	03/14/08	11/30/09	$1,802 16	$1,840 17	$-38 01
FED HOME LN MTG CORP	3128M1TK5	2028 21	05/17/07	11/30/09	$2,028 21	$2,028 21	$0 00
FED HOME LN MTG CORP	3128M45J8	607 02	09/07/07	11/30/09	$607 02	$620.01	$-12 99
FED HOME LN MTG CORP	3128MBUB1	795 12	05/29/08	11/30/09	$795 12	$815 50	$-20 38
FED NATL MTG ASSN	31371JL36	3 62	06/07/00	11/30/09	$3 62	$3 62	$0 00
FED NATL MTG ASSN	31371K4D0	957 6	02/24/05	11/30/09	$957 60	$957 60	$0 00
FED NATL MTG ASSN	31371KXR7	565 74	08/16/07	11/30/09	$565 74	$565 74	$0 00
FED NATL MTG ASSN	31371LAC3	760 84	08/06/03	11/30/09	$760 84	$760 84	$0 00
GOVT NATL MTG ASSN CMO	38373Y6W9	612 79	01/22/08	11/30/09	$612 79	$612 79	$0 00
FEDERAL NATIONAL MORTGAGE	31371KY47	1458 95	07/28/03	11/30/09	$1,458 95	$1,481 97	$-23 02
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	1970 02	05/24/07	11/30/09	$1,970 02	$1,987.26	$-17 24
GOVT NATL MTG ASSN	36290RT94	42 24	07/24/03	11/30/09	$42 24	$42 24	$0 00
NISOURCE FIN CORP SR NOTES	65473QAK9	35000	05/03/07	12/01/09	$37,444 40	$35,992 95	$1,451 45
SPDR SER TR KBW REGL BKG ETF	78464A698	1450	07/16/08	12/01/09	$30,313 93	$37,220 63	$-6,906 70
SPDR SER TR KBW REGL BKG ETF	78464A698	500	10/30/08	12/01/09	$10,453 08	$15,157 40	$-4,704 32
NISOURCE FIN CORP SR NOTES	65473QAK9	15000	05/03/07	12/04/09	$16,051 80	$15,425 55	$626 25
MARRIOTT INTL INC NEW CL A	571903202	0 16	11/08/05	12/10/09	$4 16	$4 73	$-0 57
PSE&G TRANSITION FDG LLC 2001-1	69361YAE3	7430 11	10/06/08	12/15/09	$7,430 11	$7,522 99	$-92 88
FPL GROUP INC	302571104	450	09/10/08	12/28/09	$23,926 96	$24,653 84	$-726 88
FED HOME LN MTG CORP	3128M1TK5	2014 95	05/17/07	01/15/10	$2,014 95	$2,014 95	$0 00
FED HOME LN MTG CORP	3128M45J8	591 89	09/07/07	01/15/10	$591 89	$604 56	$-12 67
FED HOME LN MTG CORP	3128MBUB1	816 53	05/29/08	01/15/10	$816 53	$837.45	$-20 92
GOVT NATL MTG ASSN	36290RT94	463 46	07/24/03	01/15/10	$463 46	$463.46	$0.00

Long term transactions

This category includes all assets held more than 12 months.

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax cost	Net gain or loss
GOVERNMENT NATIONAL MORTGAGE	36202D2F7	1408 17	05/24/07	01/20/10	$1,408 17	$1,420 49	$-12 32
FED NATL MTG ASSN	31371KXR7	782 35	08/16/07	01/25/10	$782 35	$782 35	$0 00
FED NATL MTG ASSN	31371K4D0	1092 03	02/24/05	01/25/10	$1,092 03	$1,092 03	$0 00
FED NATL MTG ASSN	31371LAC3	621 12	08/06/03	01/25/10	$621 12	$621 12	$0.00
FED NATL MTG ASSN	31371LE39	912 75	05/15/07	01/25/10	$912 75	$912 75	$0 00
FED NATL MTG ASSN	31374T2L2	157 54	07/18/03	01/25/10	$157 54	$157 54	$0 00
FED NATL MTG ASSN	31384ASC3	13 47	10/19/99	01/25/10	$13 47	$13 47	$0 00
FED NATL MTG ASSN	31385JRN0	1201 37	08/15/07	01/25/10	$1,201 37	$1,201 37	$0 00
FED NATL MTG ASSN	31391Y6J1	570 08	04/16/03	01/25/10	$570 08	$584 91	$-14 83
FEDERAL NATIONAL MORTGAGE	31402DJS0	1665 66	05/03/07	01/25/10	$1,665 66	$1,665 66	$0 00
FED NATL MTG ASSN	31402JV61	730 67	07/15/03	01/25/10	$730 67	$730 67	$0 00
FEDERAL NATIONAL MORTGAGE	31402Q4B4	703 09	03/16/07	01/25/10	$703 09	$703 09	$0 00
FEDERAL NATIONAL MORTGAGE	31402QWA5	2557 67	05/18/07	01/25/10	$2,557 67	$2,557 67	$0.00
FED NATL MTG ASSN	31402RAD1	1105 13	04/12/07	01/25/10	$1,105 13	$1,105 13	$0 00
FEDERAL NATIONAL MORTGAGE	31402RRS0	1763 83	02/20/08	01/25/10	$1,763 83	$1,763 83	$0 00
FED NATL MTG ASSN	31414RWL5	2266 55	03/14/08	01/25/10	$2,266 55	$2,314 36	$-47.81
FED NATL MTG ASSN	31371JL36	3 37	06/07/00	01/25/10	$3 37	$3 37	$0.00
FEDERAL NATIONAL MORTGAGE	31371KY47	1666 32	07/28/03	01/25/10	$1,666 32	$1,692 62	$-26 30
Total long term gain/loss from sales:	Report on Form 1040, Schedule D, line 8, Column d, e, and f				$2,790,229 62	$3,314,451 94	$-524,222 32

Cost not available

Description (Box 7)	Cusip (Box 1b)	Number of shares exchanged (Box 5)	Acquisition Date	Sale date (Box 1a)	Gross proceeds less commissions (Box 2)	Tax Cost	Net gain or loss
FEDERAL NATIONAL MORTGAGE	31403C6L0	165579 55	LT	05/26/09	$3,282 89	Unknown	
FEDERAL NATIONAL MORTGAGE	31371LDX4	42655 74	LT	05/26/09	$467.86	Unknown	
Total Cost not available:	Report on Form 1040, Schedule D, line 8 Column d, e, and f				$3,750 75		

Total proceeds reported to IRS on Form 1099-B	$3,993,387.43

McGraw Foundation

Financial Statements

For the Years Ended
December 31, 2009 and 2008

MCGRAW FOUNDATION

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Picker and Associates

CPA's and Consultants

Ralph Picker, Managing Principal

1130 Lake Cook Road, Suite 130-Buffalo Grove, IL 60089-1944
Phone: (847) 541-4000 Fax: (847) 541-4085
email: rp@pickercpa.com

Independent Auditors' Report

Board of Directors
McGraw Foundation
Northbrook, Illinois

We have audited the accompanying statement of financial position of McGraw Foundation as of December 31, 2009, and the related statements of activities and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of McGraw Foundation as of December 31, 2008 were audited by other auditors, whose report dated April 7, 2009 expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of McGraw Foundation as of December 31, 2009, and the results of its changes in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Picker + Associates

April 27, 2010

MCGRAW FOUNDATION

Statements of Financial Position
December 31, 2009 and 2008

	2009	2008
Assets		
Cash	$ 96,772	$ 114,915
Interest and dividend income receivable	40,824	46,944
Investments		
Fixed income securities	3,505,666	3,552,693
Common stocks	5,809,886	5,208,751
Limited partnership	113,562	86,195
Short-term investments	128,305	19,706
Total investments	9,557,419	8,867,345
Equipment		
Equipment	14,260	14,260
Less accumulated depreciation	(14,012)	(13,170)
Net equipment	248	1,090
Other assets		
Refundable Federal excise tax	2,219	
Prepaid insurance	2,567	3,209
Prepaid expenses - other	1,950	
Lease deposit	1,024	1,024
Total other assets	7,760	4,233
Total assets	$9,703,023	$9,034,527
Liabilities and Net Assets		
Grants payable	$ 801,680	$1,383,218
Federal excise tax		239
Total current liabilities	801,680	1,383,457
Net assets - unrestricted	8,901,343	7,651,070
Total liabilities and net assets	$9,703,023	$9,034,527

The accompanying notes are an integral part of these financial statements

MCGRAW FOUNDATION

Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2009 and 2008

	2009	2008
Investment income		
Net gain (loss) on investment	$1,459,145	($ 3,169,511)
Interest income	177,120	194,972
Dividend income	101,764	139,381
Other income		(1,269)
Total investment income	1,738,029	(2,836,427)
Grant and scholarship program		
Civic		5,000
Cultural		15,000
Education, higher	100,000	1,358,000
Education, special	60,000	120,000
Health and medical research		58,510
Social services		151,000
Environmental	25,000	90,311
Matching grants (board members)	65,880	71,430
Miscellaneous grants	1,250	2,150
Total grant and scholarship program	252,130	1,871,401
Expenses		
Management and general expenses	180,010	164,922
Advisory and custodial fees	53,835	68,675
Federal excise tax	1,781	3,624
Total expenses	235,626	237,221
Changes in net assets	1,250,273	(4,945,049)
Net assets, beginning of year	7,651,070	12,596,119
Net assets, end of year	$8,901,343	$ 7,651,070

The accompanying notes are an integral part of these financial statements

MCGRAW FOUNDATION

Statements of Cash Flows
For the Years Ended December 31, 2009 and 2008

	2009	2008
Cash flows from operating activities		
Changes in net assets	$1,250,273	($4,945,049)
Adjustments to reconcile changes in net assets to net cash flows provided by (used in) operating activities		
Depreciation	842	536
(Increase) decrease in assets:		
Interest and dividend income receivable	6,120	6,598
Refundable Federal excise tax	(2,219)	2,885
Prepaid insurance	642	(1,176)
Prepaid expenses - other	(1,950)	
Increase (decrease) in liabilities:		
Grants payable	(581,538)	712,518
Federal excise tax	(239)	239
Net cash provided by (used in) operating activities	671,931	(4,223,449)
Cash flows from investing activities		
Net fixed income securities activity	47,027	143,952
Net common stocks activity	(601,135)	3,983,597
Net limited partnership activity	(27,367)	(86,195)
Net short-term investments activity	(108,599)	207,747
Net cash provided by (used in) investing activities	(690,074)	4,249,101
Net increase (decrease) in cash	(18,143)	25,652
Cash, beginning of year	114,915	89,263
Cash, end of year	$ 96,772	$ 114,915

The accompanying notes are an integral part of these financial statements

MCGRAW FOUNDATION

Notes to Financial Statements

Note 1 - Foundation and nature of activities

The McGraw Foundation (the Foundation) was established in 1948 to fund grants to tax-exempt organizations in the fields of education, social services and other activities. The Foundation also matches, to a limit of $25,000 per director, grants and contributions made by board members to tax-exempt organizations. The Foundation is governed by a self-perpetuating Board of Directors. Operations are managed by a full-time executive director to carry out the policies and procedures established by the Board of Directors.

Note 2 - Significant accounting policies

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. These financial statements reflect all significant receivables, payables and other liabilities.

Financial statement presentation

The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of December 31, 2009 and 2008, all of the net assets are unrestricted with no temporarily or permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows.

Cash

Cash consists of checking and money market accounts. For purposes of the statement of cash flows, the Foundation considers all highly liquid investments purchased with a maturity of three months or less to be cash.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change of net assets. The cost of investments sold is based on the earliest acquisition cost of each security held at the time of sale less any amortized premium paid over face value. The Foundation's investments are managed by a professional manager.

Note 2 - Significant accounting policies, cont'd

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restrictions.

Property and equipment

Purchased property and equipment are capitalized at cost. Donated property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Equipment is depreciated using the straight-line method over estimated useful lives ranging from 5 to 7 years.

Income taxes

The Foundation is a private foundation and qualifies for exemption from income taxes but is subject to a two percent Federal excise tax on new investment income, including realized gains. The rate can be reduced to one percent if certain requirements as to the level of charitable distributions are met.

The Internal Revenue Code require that certain minimum distributions be made in accordance with a specified formula. Failure to pay the minimum by the end of the succeeding year can result in additional taxes and possible loss of the Foundation's tax-exempt status. Distributions in excess of the minimum requirement reduce the required minimum distributions in future years, subject to a five-year limitation. At December 31, 2009, the Foundation had excess distribution carryovers of $1,934,618.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Date of management's review

In preparing the financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through April 27, 2010, the date that the financial statements were available to be issued.

Note 3 - Program Services

The McGraw Foundation mission is to provide financial assistance for educational and charitable purposes in furtherance of the public good and promoting the well-being of mankind. This is accomplished by providing support for a variety of educational and charitable activities. The Foundation was funded through contributions from Max McGraw and several family members and friends.

Note 4 - Investments

Investments at cost and at fair values described in Note 2 above are summarized as follows:

	2009		2008	
Equity and debt	Cost	Value	Cost	Value
U.S. Government note and bonds	$ 312,703	$ 308,373	$ 120,293	$ 136,313
U.S. Agency mortgage obligations	1,526,555	1,614,226	1,917,352	2,001,250
State and municipal bonds	154,821	158,981	177,954	181,157
Corporate notes and bonds	1,326,553	1,424,086	1,236,900	1,233,973
Common stocks	4,977,287	5,809,886	6,185,723	5,208,751
Limited partnership	125,000	113,562	123,731	86,195
Short term investments	128,305	128,305	19,706	19,706
Total investments	$8,551,224	$9,557,419	$9,781,659	$8,867,345

Note 5 - Grant payable

At December 31, 2009, the Foundation was committed under grant programs for the following payments for future years:

	Amount Of Grants	Present Value
Payable for year 2010	$344,500	$344,500
Payable for year 2011	257,500	242,050
Payable for year 2012	257,500	215,130
Totals	$859,500	$801,680

Note 6 - Lease

The Foundation conducts its operations from a premise that is leased under a noncancellable operating lease expiring in November 2010, with an option to renew for the next year. Fixed minimum future monthly rentals payable after December 31, 2009 total $15,004. Total rent expense for the Foundation's operating leases amounted to approximately $17,272 and $16,133 in years ended December 31, 2009 and 2008, respectively.

Note 7 - Concentration of credit risk and market risk

Financial instruments that potentially expose the Foundation to concentrations of credit and market risk consist primarily of investments in debt and equity securities. The investments in debt securities do not represent significant concentrations of market risk inasmuch as such investments are diversified among U.S. Treasury and U.S. agency issuers. Common stock investments, while diversified among different industries and companies, are subject to a global decline in values as experienced in 2008. Subsequent to the 2008 market decline, the Foundation experienced a partial recovery in market values during the year ended December 31, 2009.

Picker and Associates

CPA's and Consultants

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Independent Auditors' Report on Supplementary Information

Board of Directors
McGraw Foundation
Northbrook, Illinois

Our report on our audit of the financial statements of McGraw Foundation for the year ended December 31, 2009 appears on page 1. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of management and general expenses on page 10, for the year ended December 31, 2009 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The basic financial statements of McGraw Foundation for the year ended December 31, 2008, were audited by other auditors whose report dated April 7, 2009, expressed an unqualified opinion on those financial statements. Their report, as of the same date, on the schedule of management and general expenses stated that, in their opinion, such information was fairly stated in all material respects in relation to the basic financial statements for the year ended December 31, 2008, taken as a whole.

Picker + Associates

April 27, 2010

MCGRAW FOUNDATION

Schedules of Management and General Expenses
For the Years Ended December 31, 2009 and 2008

	2009	2008
Management and general expenses		
Salaries	$126,234	$113,936
Rent	17,272	16,133
Payroll taxes	9,879	9,005
Office supplies	6,517	6,586
Insurance	8,404	7,871
Telephone and utilities	3,358	2,762
Professional fees	5,300	6,500
Conference and travel	1,609	962
Depreciation	842	536
Dues and subscriptions	595	631
Total management and general expenses	$180,010	$164,922