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Form **990-PF**

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

OMB No 1545-0052

2009Department of the Treasury
Internal Revenue Service

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

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

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

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation Mary Heath Foundation		A Employer identification number 37-1330907
	Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 10 of the instructions) 618-546-5786
	City or town, state, and ZIP code Robinson IL 62454-0217		C If exemption application is pending, check here ☐
	H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 4,461,075		J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify)	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 ☐

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 page 11 of 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 (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	2,119	2,119		
	4 Dividends and interest from securities	161,562	161,562		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10 Stmt 1	-5,078			
	b Gross sales price for all assets on line 6a 831,918				
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns & allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule) Stmt 2	3,145				
12 Total. Add lines 1 through 11	161,748	163,681	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) See Stmt 3	6,000	1,200		4,800
	b Accounting fees (attach schedule) Stmt 4	2,500	500		2,000
	c Other professional fees (attach schedule) Stmt 5	36,551	7,310		29,241
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) Stmt 6	15	15		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (att sch) Stmt 7	138	138		
	24 Total operating and administrative expenses. Add lines 13 through 23	45,204	9,163		36,041
	25 Contributions, gifts, grants paid	187,929			187,929
26 Total expenses and disbursements. Add lines 24 and 25	233,133	9,163	0	223,970	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-71,385				
b Net investment income (if negative, enter -0-)		154,518			
c Adjusted net income (if negative, enter -0-)			0		

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

Form 990-PF (2009)

P 12

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	654,527	507,319	515,961
	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 page 16 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule) Stmt 8	1,393,685	785,387	807,606
	b	Investments—corporate stock (attach schedule) See Stmt 9	1,131,908	1,494,178	1,863,081
	c	Investments—corporate bonds (attach schedule) See Stmt 10	696,562	1,018,294	1,053,642
	11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule) See Statement 11	252,301	252,301	220,431
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶			
	15	Other assets (describe ▶ See Statement 12)	235	354	354
	16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	4,129,218	4,057,833	4,461,075
Liabilities	17	Accounts payable and accrued expenses	6	6	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	6	6	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	4,129,212	4,057,828	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds		-1	
	30	Total net assets or fund balances (see page 17 of the instructions)	4,129,212	4,057,827	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	4,129,218	4,057,833	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	4,129,212
2	Enter amount from Part I, line 27a	2	-71,385
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	4,057,827
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	4,057,827

Part IV Capital Gains and Losses for Tax on Investment Income

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

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

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

2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	
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 pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3	

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

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

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

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

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

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	224,248	4,564,917	0.049124
2007	230,878	4,952,445	0.046619
2006	239,284	4,801,518	0.049835
2005	196,975	4,793,214	0.041095
2004	254,451	4,854,718	0.052413

2 Total of line 1, column (d)	2	0.239086
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	0.047817
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	4,167,885
5 Multiply line 4 by line 3	5	199,296
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,545
7 Add lines 5 and 6	7	200,841
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18	8	223,970

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	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 instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	1,545
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	1,545
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	1,545
6	Credits/Payments		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	2,100
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	2,100
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	555
11	Enter the amount of line 10 to be Credited to 2010 estimated tax 555 Refunded	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ _____ (2) On foundation managers \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) IL		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► Stewart Schutte PO Box 217 Located at ► Robinson, IL	Telephone no ► 618-544-2960 ZIP+4 ► 62454		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year	► 15 ☐		

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes	☒ No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes	☒ No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes	☒ No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes	☒ No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes	☒ No
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes	☒ No
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A ► ☐	
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?	N/A	
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If "Yes," list the years ► 20 , 20 , 20 , 20	☐ Yes	☒ No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions)	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)	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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?		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 page 22 of the 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 page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A		5b
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? If "Yes," attach the statement required by Regulations section 53.4945-5(d)	N/A		
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? If "Yes" to 6b, file Form 8870			6b
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes	☒ No	
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A		7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 13				

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions).

If none, enter "NONE."

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

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."**

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

Total number of others receiving over \$50,000 for professional services ▶**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 See Statement 14	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the 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 page 24 of the instructions	
3	

Total. Add lines 1 through 3 ▶

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	3,569,074
b	Average of monthly cash balances	1b	662,281
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	4,231,355
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	4,231,355
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	63,470
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,167,885
6	Minimum investment return. Enter 5% of line 5	6	208,394

Part XI Distributable Amount (see page 25 of the 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	208,394
2a	Tax on investment income for 2009 from Part VI, line 5	2a	1,545
b	Income tax for 2009 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,545
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	206,849
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	206,849
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	206,849

Part XII Qualifying Distributions (see page 25 of the 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	223,970
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	223,970
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 page 26 of the instructions)	5	1,545
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	222,425

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 page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				206,849
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			333	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e				
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 223,970				
a Applied to 2008, but not more than line 2a			333	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2009 distributable amount				206,849
e Remaining amount distributed out of corpus	16,788			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	16,788			
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions				
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
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 page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2010 Subtract lines 7 and 8 from line 6a	16,788			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009	16,788			

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year See Statement 15				187,929
Total			▶ 3a	187,929
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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					2,119
4	Dividends and interest from securities					161,562
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					-5,078
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue a					
b	Federal Income Tax Refund					3,145
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)		0		0	161,748
13	Total. Add line 12, columns (b), (d), and (e)					161,748

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

[illegible]

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

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

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

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

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

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

Signature of officer or trustee

Date _____

Title

Sign Here

**Paid
Preparer's
Use Only**

Preparer's
signature

HAROLD MCCORMICK

Date _____

05/06/10

Check if self-employed ☒

Preparer's identifying
number (see **Signature** on
page 30 of the instructions)

P00667163

Firm's name (or yours if self-employed), address, and ZIP code

Harold Mc Cormick CPA

PO Box 252

Robinson, IL 62454-0252

EIN ▶ 37-1185157

Phone no **618-544-8611**

Form **990-PF** (2009)

Federal Statements

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Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description		How Received		Expense	Depreciation	Net Gain / Loss
Whom Sold	Date Acquired	Date Sold	Sale Price			
FHLMC 5075% 01/23/07	7/14/08	1/23/09	Purchase 100,000 \$	99,850 \$	\$	150
Federal Home Loan Mortg Corp 5.00%	8/11/09	11/19/09	Purchase 100,000	99,950		50
Federal Home Loan Bank 4.80%	2/15/08	1/29/09	Purchase 100,000	100,000		
Bellsouth Telecom 5.875%	5/24/02	1/15/09	Purchase 100,000	101,000		-1,000
Federal Home Loan Bank 4.25%	1/14/08	1/22/09	Purchase 55,000	55,000		
Federal Home Loan Bank 4.65%	3/11/08	4/02/09	Purchase 100,000	100,000		
Federal Home Loan Bank 5.00%	3/24/08	4/09/09	Purchase 100,000	100,000		
Fannie Mae 6.625%	11/08/00	9/15/09	Purchase 100,000	98,448		1,552
Fannie Mae 5.20%	11/29/07	12/11/09	Purchase 65,000	65,000		
600 sh State Street Corp	9/22/99	3/06/09	Purchase 10,791	17,741		-6,950
.1990 sh Wells Fargo & Co New Com	11/17/06	2/04/09	Purchase 4	7		-3
Tyco Intl Class Action Lawsuit			Purchase 1,123			1,123
Total			\$ 831,918 \$	\$ 836,996 \$	\$ 0 \$	\$ -5,078

Federal Statements

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Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Federal Income Tax Refund	\$ 3,145	\$	\$
Total	\$ 3,145	\$ 0	\$ 0

Statement 3 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Legal Fees	\$ 6,000	\$ 1,200	\$	\$ 4,800
Total	\$ 6,000	\$ 1,200	\$ 0	\$ 4,800

Statement 4 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Accounting Fees	\$ 2,500	\$ 500	\$	\$ 2,000
Total	\$ 2,500	\$ 500	\$ 0	\$ 2,000

Statement 5 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Fiduciary Management Services	\$ 36,551	\$ 7,310	\$	\$ 29,241
Total	\$ 36,551	\$ 7,310	\$ 0	\$ 29,241

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Excise Tax on Investment Income	\$		\$	\$
Illinois Charity Bureau Fee	15	15		
Total	\$ 15	\$ 15	\$ 0	\$ 0

Statement 7 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses	\$	\$	\$	\$
Pass Thru Administration Fee	138	138		
Total	\$ 138	\$ 138	\$ 0	\$ 0

Federal Statements

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Statement 8 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
U.S. Gov't Agency Obligations	\$ 1,393,685	\$ 785,387	Cost	\$ 807,606
Total	\$ 1,393,685	\$ 785,387		\$ 807,606

Statement 9 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Common Stock	\$ 1,131,908	\$ 1,494,178	Cost	\$ 1,863,081
Total	\$ 1,131,908	\$ 1,494,178		\$ 1,863,081

Statement 10 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Corporate Bonds	\$ 696,562	\$ 984,287	Cost	\$ 1,020,214
Municipal Bonds & Notes		34,007	Cost	33,428
Total	\$ 696,562	\$ 1,018,294		\$ 1,053,642

Statement 11 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Com Stk Mutual Fd	\$ 252,301	\$ 252,301	Cost	\$ 220,431
Total	\$ 252,301	\$ 252,301		\$ 220,431

Statement 12 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
Dividends Receivable	\$ 235	\$ 354	\$ 354
Total	\$ 235	\$ 354	\$ 354

Federal Statements

Statement 13 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees,
Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
Randy Rich 401 N Grant St Oblong IL 62449	Advisory	2.00	0	0	0
Rodney Stewart 505 W Chestnut St Robinson IL 62454	Advisory	2.00	0	0	0
Radford Burkett 6125 N 2000th Palestine IL 62451	Advisory	2.00	0	0	0
Thomas Pearce 13548 E 1700th Ave Hutsonville IL 62433	Advisory	2.00	0	0	0
Todd Musgrave PO Box 10 Oblong IL 62449	Advisory	2.00	0	0	0

Statement 14 - Form 990-PF, Part IX-A, Line 1 - Summary of Direct Charitable ActivitiesDescription

The Foundation provides grants to organizations that are qualified to receive tax deductible charitable contributions. Eligible organizations must sponsor projects in the areas of public health, safety, recreation, or education. The Foundation provided 27 grants to 27 organizations.

Federal Statements**Form 990-PF, Part XV, Line 2b - Application Format and Required Contents**Description

Copy of Grant Application Attached

Form 990-PF, Part XV, Line 2c - Submission DeadlinesDescription

May 1 and November 1

Form 990-PF, Part XV, Line 2d - Award Restrictions or LimitationsDescription

Limited to the State of Illinois

The Mary Heath Foundation

Grant Application

Procedures and Guidelines

TRUSTEE:

First National Bank in Olney
Attn: Stewart J Schutte, Trust Officer
1719 West Main Street
PO Box 217
Robinson, IL 62454

Phone: 618-544-2960
Fax: 618-544-3349
e-mail: sschutte@fnbolney.com

Revised January 2008

**Mary Heath Foundation
Grant Application Basic Information Form**

1. Applying Organization:

Name: _____

Address: _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

Telephone: _____ **Fax:** _____

e-mail: _____

2. Grant Contact Person:

Name: _____

Address: _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

Telephone: _____ **Fax:** _____

3. Amount of Funds Being Requested: _____

4. Organization's Federal Tax Identification Number: _____

5. A copy of the organization's IRS tax-exempt determination letter is attached.

☐ **YES**

☐ **NO**

If no, please explain: _____

6. Please identify your project's funding category:

☐ **Public Health**

☐ **Public Safety**

☐ **Public Recreation**

☐ **Public Education**

7. Please indicate if you would accept PARTIAL funding for this grant request.

☐ **Yes**

☐ **No**

Grant Application checklist of required information:

- ☐ A brief narrative describing the project and/or program for which funding is being requested, including an assessment of need, primary beneficiaries, plans for implementation, other sources of funds and means of assessing results
- ☐ A brief statement describing the organization's history, activities, objectives and purposes
- ☐ A detailed, itemized budget for the proposed project, including a statement of amount of organization's own funds that will be applied to the proposed project.
- ☐ A brief, one page financial report of the organization, including current balance on hand in organization's general fund, revenue sources for the latest fiscal year (including contributions), expenses for the latest fiscal year, and any endowment funds held by the organization.
- ☐ A list of the organization's principal officers and/or directors, including address and phone number
- ☐ A list of the name, title and salary of the three highest paid individuals working for your organization, if applicable
- ☐ A signed application request certifying the information in the application is correct and accurate (included in application packet)

All grant applications MUST adhere to the following guidelines to be considered for funding:

- All applications are limited to a maximum 25 pages, including cover page
- All applications must include the Basic Information Form, in exact format provided, as page 2 of application (after cover page)
- All applications must be submitted in six (6) identical copies
- All applications must be stapled --- no paper clips accepted
- No applications will be accepted if placed in a cover or folder of any type
- Maximum grant request is \$20,000 --- requests in excess of this amount will not be considered
- Any application that includes the Illinois Retailer Occupation tax exemption letter will be automatically rejected from consideration - absolutely no exceptions will be considered
- The grant deadline dates and times will be strictly adhered to, based on date and time RECEIVED in the offices of the Trustee, not based on date mailed
- All applying organizations must provide full and complete verification that it is either a qualified 501 c 3 entity OR is eligible for funding consideration by virtue of being a tax-supported governmental unit or entity --- Failure to provide adequate verification of this qualifying requirement will result in automatic rejection of grant application
- Recognition of an organization by the State of Illinois as a not-for-profit corporation or organization DOES NOT automatically qualify an organization for federal tax-exempt status.

Grant Application Certification

I hereby certify that :

- **The information set forth in this grant application and the supporting documentation is correct**
- **The Internal Revenue Service 501 c 3 determination letter (if applicable) has not been revoked, cancelled or modified**
- **No funds received pursuant to this application will be used for activities prohibited by the 1969 Tax Reform Act, as amended**
- **All funds received pursuant to this grant request will be applied to the project or program as described in the application**

Signed: _____ **Date:** _____

Printed Name: _____

Position / Title: _____

The Mary Heath Foundation

Initially funded in 1994, the Mary Heath Foundation was established by Mrs. Mary Heath under a Revocable Trust Agreement dated April 16, 1991. In accordance with the terms of the trust document establishing the Foundation, the Mary Heath Foundation makes grants to qualifying tax-exempt organizations sponsoring projects and activities in the areas of:

Public Health
Public Safety
Public Recreation
Public Education

To be considered for a Heath Grant, the applying organization must be physically located in the State of Illinois, and the organization's project or activity must be for the direct benefit and enjoyment of the general public in the State of Illinois.

The Trustee, First National Bank in Olney, is responsible for the administration of the Foundation, relying upon the majority consensus of an Advisory Committee for all grant funding decisions. This Advisory committee consists of 5 area citizens, each appointed for a term of 5 years by the following entities:

- 1 by the Mayor of the City of Robinson
- 1 by the Chairman of the Crawford County Board
- 1 by the Mayor of the Village of Oblong
- 1 by the Mayor of the Village of Palestine
- 1 by the President of the First National Bank in Olney

All inquiries or questions regarding the Foundation should be directed to the Trustee.

The Foundation awards grants twice a year, in June and December. Applications for funding are accepted year-round and should be directed to the Foundation Trustee.

Grant Application Deadlines

For June consideration ---- May 1st, 10 AM
For December consideration ---- November 1st, 10 AM

After the Advisory Board has reviewed all of the grant applications for any given funding cycle, all applicants will be notified in writing of the Committee's decisions.

The Advisory Committee will evaluate the quality and merit of each proposed project or activity as well as the community presence of the organization submitting the request.

Limitations and Restrictions

Funding **WILL NOT** be considered for the following type of requests:

1. Requests from organizations that cannot provide verification of their federal tax-exempt status
2. Requests covering routine organizational expenditures, general endowments or deficit reduction programs
3. Requests for general fund-raising campaigns, capital campaigns or mass mailing fund-raising projects
4. Request providing direct-aid to specific individuals
5. Requests to conduit organizations that use grant funds to support other organizations
6. Requests to fund propaganda or to otherwise influence legislation
7. Requests to fund participation or intervention in any political campaign on behalf of any candidate, party or platform

Assessment Criteria

The characteristics that the Foundation looks for in a successful grant candidate include:

- **Exemplary institutions and organizations with a history of achievement and good management**
- **Institutions and organizations demonstrating a stable financial condition, supported by accurate financial disclosure**
- **Programs and projects that encourage self-sufficiency rather than continued dependence on the Foundation's support**
- **Programs and projects that promise to accomplish a measurable impact in the area for which the applicant requests support**
- **Programs and projects that are consistent with the stated purposes of the Mary Heath Foundation**
- **The Foundation will monitor the impact of all grants to help determine the future direction and practices of the grant process**

The Mary Heath Foundation is a private foundation within the meaning of Section 509(a) of the Internal Revenue Service code, and it is a recognized tax-exempt organization under Section 501 c (3). A copy of the IRS determination letter is available on request.

371330907 Mary Heath Foundation
 37-1330907
 FYE: 12/31/2009

Federal Statements

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Statement 15 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name	Address	Relationship	Status	Purpose	Amount
Willow Hill Fire Departme					
Willow Hill IL 62480		None	Gov't	New Tanker Truck	18,000
New Hebron Christian Scho					
Robinson IL 62454		None	School	Electronics (Computers, Calculators	5,183
Sainte Marie Foundation					
Sainte Marie IL 62459		None	Public	Copy/Restore Photographs	2,000
Crawford County Heritage					
Robinson IL 62454		None	Public	New Refrigerator	3,223
Bridgeport Grade School					
Bridgeport IL 62417		None	School	New Books	3,310
White County Extension Fa					
Carmi IL 62821		None	Gov't	Finish a 4H/Fair Building	20,000
Parkside Elementary Schoo					
Lawrenceville IL 62439		None	School	Training Staff "Search for Integrity	5,500
Montgomery Township					
Flat Rock IL 62427		None	Gov't	Fireproof Filing Cabinets	3,000
Christian Care Crisis Pre					
Robinson IL 62454		None	Pulbic	Windows and Carpet	1,518
Embarras River Basin Agen					
Robinson IL 62454		None	Gov't	New Tables and Chairs	1,738
Embarras River Basin Agen					
Robinson IL 62454		None	Gov't	Blinds, Treadmill, Upholster Pool Ta	2,911
Robinson Police Dept					
Robinson IL 62454		None	Gov't	Software to Fight Computer Based Cri	3,451
Village of Palestine					
Palestine IL 62451		None	Gov't	Community Building Project	19,718
LaMotte Twp Park Dist					
Palestine IL 62451		None	Gov't	New Bleachers	6,000
Oblong Childrens Christia					
Oblong IL 62449		None	School	Newer Van	14,000
Crawford County Fair Asso					
Oblong IL 62449		None	Public	New PA System 3	4,000
Museum Assoc Douglas Coun					
Tuscola IL 61953		None	Gov't	PastPerfect Database Software	1,018
Lawrence-Crawford Assoc f					
Robinson IL 62454		None	Gov't	Automatic Doors	4,400
					15

Federal Statements

**Statement 15 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year (continued)**

Name	Address	Relationship	Status	Purpose	Amount
Lawrence-Crawford Assoc f					
Robinson IL 62454		None	Gov't	Increase Draining Grade Around Bldg	5,930
Palestine Development Ass		None	Public	Handicap Accessible Restroom	6,500
Palestine IL 62451		None	Gov't	2 AED Machines	3,600
Prairie Licking Fire Prot		None	Gov't	Playground Equipment	15,000
Annapolis IL 62413		None	School	New Clavinova	3,392
Village of Manchester		None	School	Reading Competition	4,000
Nabcgester IL 62663		None	Public	Masonry Repair	12,500
Hutsonville CUSD #1		None	Gov't	Fire Fighting Equipment	15,537
Hutsonville IL 62433		None	Public	Sewing Machines and Fabric	2,500
Hutsonville CUSD #1		None			
Hutsonville IL 62433		None			
Palestine Preservation Pr		None			
Palestine IL 62451		None			
Hutsonville Twp Fire Prot		None			
Hutsonville IL 62433		None			
ConKerr Cancer:A Case for		None			
Sumner IL 62466		None			
Total					187,929