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Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

2009

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

Name of foundation

THE MILES FOUNDATION, INC.

Number and street (or P.O. box number if mail is not delivered to street address)

200 HIGHLAND CIRCLE

Room/suite

City or town, state, and ZIP code

ARGYLE, TX 76226

A Employer identification number

75-2739180

B Telephone number

940-464-4800

C If exemption application is pending, check here ☐D 1. Foreign organizations, check here ☐2. Foreign organizations meeting the 85% test,
check here and attach computation ☐E If private foundation status was terminated
under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination
under section 507(b)(1)(B), check here ☐

H Check type of organization

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundation

I Fair market value of all assets at end of year

(from Part II, col. (c), line 16)

\$ 23,105,854. (Part I, column (d) must be on cash basis.)

J Accounting method

☒ Cash☐ Accrual☐ Other (specify)

Part I

Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not
necessarily equal the amounts in column (a))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received	650,639.		N/A	
2 Check ☐ if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	60,884.	60,884.		STATEMENT 1
5a Gross rents	2,100.	2,100.		STATEMENT 2
b Net rental income or (loss)	2,100.			
6a Net gain or (loss) from sale of assets not on line 10	195,334.			
b Gross sales price for all assets on line 6a	571,913.			
7 Capital gain net income (from Part IV, line 2)		195,334.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income	2,837,157.	3,164,629.		STATEMENT 3
12 Total. Add lines 1 through 11	3,746,114.	3,422,947.		
13 Compensation of officers, directors, trustees, etc.	431,000.	206,100.		224,900.
14 Other employee salaries and wages	2,365.	0.		0.
15 Pension plans, employee benefits	54,699.	26,574.		28,125.
16a Legal fees STMT 4	83,246.	28,357.		26,919.
b Accounting fees STMT 5	9,446.	4,723.		4,723.
c Other professional fees STMT 6	95,273.	70,198.		0.
17 Interest				
18 Taxes STMT 7	94,821.	41,116.		13,525.
19 Depreciation and depletion	964.	0.		
20 Occupancy	36,094.	18,047.		18,047.
21 Travel, conferences, and meetings	16,892.	0.		16,892.
22 Printing and publications	2,647.	1,323.		1,324.
23 Other expenses STMT 8	22,200.	11,728.		7,628.
24 Total operating and administrative expenses. Add lines 13 through 23	849,647.	408,166.		342,083.
25 Contributions, gifts, grants paid	1,102,944.			1,102,944.
26 Total expenses and disbursements. Add lines 24 and 25	1,952,591.	408,166.		1,445,027.
27 Subtract line 26 from line 12	1,793,523.			
a Excess of revenue over expenses and disbursements		3,014,781.		
b Net investment income (if negative, enter -0-)				
c Adjusted net income (if negative, enter -0-)			N/A	

Part II Balance Sheets

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	1,280,460.	3,412,621.	3,412,621.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶ 10,030.		10,030.	10,030.
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U S and state government obligations			
	b Investments - corporate stock STMT 10	1,064,352.	1,071,736.	1,126,385.
	c Investments - corporate bonds STMT 11	425,000.	425,000.	428,012.
11 Investments - land, buildings, and equipment basis ▶ 2,904,934.				
Less: accumulated depreciation ▶	3,310,076.	2,904,934.	3,590,000.	
12 Investments - mortgage loans				
13 Investments - other STMT 12	9,452,105.	9,473,302.	14,536,156.	
14 Land, buildings, and equipment basis ▶ 6,973.				
Less accumulated depreciation STMT 13 ▶ 4,323.	575.	2,650.	2,650.	
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	15,532,568.	17,300,273.	23,105,854.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
22 Other liabilities (describe ▶)	25,808.	0.		
23 Total liabilities (add lines 17 through 22)	25,808.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	15,506,760.	17,300,273.	
30 Total net assets or fund balances	15,506,760.	17,300,273.		
31 Total liabilities and net assets/fund balances	15,532,568.	17,300,273.		

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	15,506,760.
2 Enter amount from Part I, line 27a	2	1,793,523.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	17,300,283.
5 Decreases not included in line 2 (itemize) ▶ ROUNDING ADJUSTMENT	5	10.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	17,300,273.

Part IV Capital Gains and Losses for Tax on Investment Income

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 571,913.		376,579.	195,334.

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			195,334.

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	195,334.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	{ If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	1,646,131.	17,811,804.	.092418
2007	1,199,161.	12,930,270.	.092741
2006	1,370,661.	11,499,777.	.119190
2005	620,682.	10,901,563.	.056935
2004	164,049.	1,518,856.	.108008

2 Total of line 1, column (d)	2	.469292
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	.093858
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	20,945,190.
5 Multiply line 4 by line 3	5	1,965,874.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	30,148.
7 Add lines 5 and 6	7	1,996,022.
8 Enter qualifying distributions from Part XII, line 4	8	1,445,027.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate.
See the Part VI instructions

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		1	60,296.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b			
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	60,296.
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	60,296.
6 Credits/Payments			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	40,000.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	31,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	71,000.	
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		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	10,704.	
11 Enter the amount of line 10 to be Credited to 2010 estimated tax ☐ 10,704. Refunded ☐	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		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. ☐ \$ 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.		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?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ TX, OH		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address **▶ N/A**

14 The books are in care of **▶ JACK BURDETT** Telephone no **▶ 940-464-4800**
 Located at **▶ 200 HIGHLAND CIRCLE, ARGYLE, TEXAS** ZIP+4 **▶ 76226**

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ☐
 and enter the amount of tax-exempt interest received or accrued during the year **▶ 15** **N/A**

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ 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 ▶ ☐	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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 ▶ _____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ _____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☒ Yes ☐ No		
b If "Yes," did it have excess business holdings in 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	X
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

Form 990-PF (2009)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to

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

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?**6b**

X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SHERRY WILSON 200 HIGHLAND CIRCLE ARGYLE, TX 76226	PRESIDENT/DIRECTOR 30.00	150,000.	17,844.	0.
JACK BURDETT 200 HIGHLAND CIRCLE ARGYLE, TX 76226	VICE PRESIDENT/DIRECTOR 30.00	156,000.	21,306.	0.
GRANT COATES 200 HIGHLAND CIRCLE ARGYLE, TX 76226	CFO/DIRECTOR 30.00	125,000.	15,549.	0.

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

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

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

0

Form 990-PF (2009)

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
CANTEY HANGER LLP - 600 WEST 6TH ST, STE 300, FORT WORTH, TX 76102	LEGAL	53,838.
BLACK RAIN LTD - 2901 LONG PRAIRIE RD, STE 107-327, FLOWER MOUND, TX 75022	OIL & GAS RESERVE STUDY	52,718.

Total number of others receiving over \$50,000 for professional services

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	0.

Form 990-PF (2009)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	1,338,015.
b	Average of monthly cash balances	1b	3,118,070.
c	Fair market value of all other assets	1c	16,808,067.
d	Total (add lines 1a, b, and c)	1d	21,264,152.
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	21,264,152.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	318,962.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	20,945,190.
6	Minimum investment return. Enter 5% of line 5	6	1,047,260.

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	1,047,260.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	60,296.
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	60,296.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	986,964.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	986,964.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	986,964.

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	1,445,027.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,445,027.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,445,027.

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				986,964.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007	242,592.			
e From 2008	787,442.			
f Total of lines 3a through e	1,030,034.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 1,445,027.				
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				986,964.
e Remaining amount distributed out of corpus	458,063.			
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	1,488,097.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see instr.			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	680,639.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	807,458.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008	349,395.			
e Excess from 2009	458,063.			

N/A

- ☐ 4942(j)(3) or ☐ 4942(j)(5)

- (4) Gross investment income**

[illegible]

Form 990-PF (2009)

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. | | |

[illegible]

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

- | b If "Yes," complete the following schedule | | |
|---|--------------------------|---------------------------------|
| (a) Name of organization | (b) Type of organization | (c) Description of relationship |
| N/A | | |
| | | |
| | | |
| | | |
| | | |

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

Sign Here	Signature of officer or trustee	Date	Title
	<i>John B. Smith</i>	11/15/10	President

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed ☐	Preparer's identifying number
	<i>Charles S. Hoera</i>	11/12/10		

Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no
CHARLES S. HOERA, P.C., CPA 2501 PARKVIEW DR., SUITE 670 FORT WORTH, TX 76102		817-877-1901

Form 990-PF (2009)

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No 1545-0047

2009

Name of the organization

THE MILES FOUNDATION, INC.

Employer identification number

75-2739180

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions
for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2009)

Name of organization

Employer identification number

THE MILES FOUNDATION, INC.

75-2739180

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	THE ELLISON MILES PRODUCTION CO TRUST 200 HIGHLAND CIRCLE ARGYLE, TX 76226	\$ 650,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
2	THE ELLISON MILES PRODUCTION CO TRUST 200 HIGHLAND CIRCLE ARGYLE, TX 76226	\$ 639.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

THE MILES FOUNDATION, INC.

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	BRIDGEPORT LOT 3	P		06/17/09
b	80 SH EXELON CORP	P	01/24/08	01/23/09
c	50 SH RESEARCH IN MOTION LTD	P	04/29/08	01/23/09
d	125 SH CATERPILLAR INC	P	06/03/08	02/02/09
e	125 SH WATERS CORP	P	04/29/08	02/12/09
f	100 SH COVIDEN LTD	P	10/02/08	04/06/09
g	50 SH ACCENTURE LTD	P	10/02/08	04/17/09
h	50 SH EXELON CORP	P	10/06/08	09/03/09
i	200 SH ACCENTURE PLC	P	10/02/08	09/03/09
j	150 SH DARDEN RESTAURANTS INC	P	02/12/09	11/13/09
k	35 SH AMAZON INC	P	04/17/09	12/09/09
l	50 SH MCDONALDS CORP	P	01/25/07	02/12/09
m	125 SH AFLAC INC	P	01/24/08	03/17/09
n	125 SH ROCKWELL COLLINS INC	P	01/24/08	03/17/09
o	25 SH JOHNSON & JOHNSON	P	12/14/09	03/25/09

(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 400,000.		174,059.	225,941.
b 4,373.		6,115.	-1,742.
c 2,631.		6,193.	-3,562.
d 3,804.		10,359.	-6,555.
e 4,867.		7,456.	-2,589.
f 3,120.		5,211.	-2,091.
g 1,353.		1,843.	-490.
h 2,426.		2,727.	-301.
i 6,750.		7,374.	-624.
j 4,820.		4,265.	555.
k 4,591.		2,727.	1,864.
l 2,791.		2,201.	590.
m 1,853.		7,795.	-5,942.
n 3,822.		7,513.	-3,691.
o 1,319.		1,665.	-346.

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) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a			225,941.
b			-1,742.
c			-3,562.
d			-6,555.
e			-2,589.
f			-2,091.
g			-490.
h			-301.
i			-624.
j			555.
k			1,864.
l			590.
m			-5,942.
n			-3,691.
o			-346.

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter "-0-" in Part I, line 8	}	3

THE MILES FOUNDATION, INC.

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	150 SH PEPSICO INC	P	09/22/04	04/06/09
b	125 SH ABBOTT LABORATORIES	P	VARIOUS	04/17/09
c	75 SH EXXON MOBIL CORP	P	10/16/98	05/19/09
d	75 SH PROCTER & GAMBLE CO	P	11/10/98	05/19/09
e	125 SH BECTON DICKINSON & CO	P	12/14/06	05/29/09
f	50 SH INTL BUSINESS MACHINES CORP	P	04/29/08	05/29/09
g	200 SH MICROCHIP TECHNOLOGY INC	P	04/29/08	05/29/09
h	225 SH SCHWAB CHARLES CORP	P	05/16/08	05/29/09
i	100 SH PROCTER & GAMBLE CO	P	11/10/98	08/14/09
j	70 SH EXELON CORP	P	01/24/08	09/03/09
k	25 SH FIRST SOLAR INC	P	06/03/08	09/03/09
l	150 SH MCDONALDS CORP	P	01/25/07	09/10/09
m	1300.91 SH MFB NORTHN FDS SMALL CAP VALUE FD	P	VARIOUS	09/16/09
n	100 SH VERIZON COMMUNICATIONS	P	01/24/08	10/23/09
o	225 SH WELLS FARGO & CO	P	VARIOUS	11/13/09

(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	7,902.	7,341.	561.
b	5,447.	6,592.	-1,145.
c	5,307.	2,853.	2,454.
d	3,979.	3,328.	651.
e	8,360.	9,102.	-742.
f	5,233.	6,133.	-900.
g	4,296.	7,328.	-3,032.
h	3,836.	5,088.	-1,252.
i	5,263.	4,438.	825.
j	3,396.	5,351.	-1,955.
k	3,007.	6,476.	-3,469.
l	8,243.	6,603.	1,640.
m	15,910.	18,454.	-2,544.
n	2,878.	3,788.	-910.
o	6,273.	5,797.	476.

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) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a			561.
b			-1,145.
c			2,454.
d			651.
e			-742.
f			-900.
g			-3,032.
h			-1,252.
i			825.
j			-1,955.
k			-3,469.
l			1,640.
m			-2,544.
n			-910.
o			476.

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 }

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c)
If (loss), enter "-0-" in Part I, line 8

2

3

THE MILES FOUNDATION, INC.

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	175 SH BAXTER INTL INC	P	01/24/08	12/09/09
b	125 SH JACOBS ENGR GROUP INC	P	01/24/08	12/09/09
c	150 SH SCHLUMBERGER LTD	P	04/11/06	12/17/09
d	VALQUEST PARTNERS GRACY FARMS LP TERMINATION	P		
e	CAPITAL GAINS DIVIDENDS			
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 9,782.		10,892.	-1,110.
b 4,320.		9,994.	-5,674.
c 9,414.		9,518.	-104.
d 8,410.			8,410.
e 2,137.			2,137.
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			-1,110.
b			-5,674.
c			-104.
d			8,410.
e			2,137.
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	195,334.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter "-0-" in Part I, line 8	3	N/A

Depreciation and Amortization 990-PF
(Including Information on Listed Property)

▶ See separate instructions.

▶ Attach to your tax return.

THE MILES FOUNDATION, INC.

FORM 990-PF PAGE 1

75-2739180

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2008 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2010. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	484.
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2009	17	383.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2009 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		484.	5 YRS.	HY	200DB	97.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	964.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V**Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**Section A - Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles)**24a** Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%			S/L -			
		%			S/L -			
		%			S/L -			
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2009 tax year:					
SEE STATEMENT 19					607.
43 Amortization of costs that began before your 2009 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44 607.

2009 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1

990-PF

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	COMPUTER HARDWARE	050105	200DB	5.00	17	3,327.			3,327.	2,752.		383.
2	QUICKBOOKS & SAFECART SOFTWARE	021009		36M	42	983.			983.			300.
3	SPAM SOFTWARE	032309		36M	42	131.			131.			33.
4	ANTI-VIRUS SOFTWARE	051409		36M	42	229.			229.			51.
5	AADOBE SOFTWARE	071509		36M	42	1,335.			1,335.			223.
6	COMPUTER BACKUP	062209	200DB	5.00	19B	968.		484.	484.			581.
	* TOTAL 990-PF PG 1 DEPR & AMORT					6,973.		484.	6,489.	2,752.	0.	1,571.

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
-------------	--	-----------	---

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
NORTHERN TRUST BANK	38,558.	1,619.	36,939.
NORTHERN TRUST BANK LTCG DIVS	478.	478.	0.
NORTHSTAR BANK	21,341.	0.	21,341.
UBS FINANCIAL SERVICES	2,644.	40.	2,604.
TOTAL TO FM 990-PF, PART I, LN 4	63,021.	2,137.	60,884.

FORM 990-PF	RENTAL INCOME	STATEMENT	2
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KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
GRAPEVINE LAND	1	2,100.
TOTAL TO FORM 990-PF, PART I, LINE 5A		2,100.

FORM 990-PF	OTHER INCOME	STATEMENT	3
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OIL AND GAS ROYALTIES-VARIOUS	3,164,629.	3,164,629.	
VALQUEST PTRS ROSENBERG 59 LP	-30,820.	0.	
SILVER TREE REALTY FUND II LP	-42,929.	0.	
VALQUEST PARTNERS SCHOOLHOUSE LP	-101,152.	0.	
VALQUEST NWC 288, LP	-5,701.	0.	
VALQUEST HUDSON RETAIL LP	-6,246.	0.	
RCP ARGYLE 114, LTD	-3,232.	0.	
VALQUEST PRINCETON 55, LP	-10,838.	0.	
VALQUEST PARTNERS CONROE MARINAS LP	9,623.	0.	
VALQUEST PARTNERS 161/IRVING LP	848.	0.	
VALQUEST MANVEL LP	-722.	0.	
VALQUEST PARTNERS GRACY FARMS LP	1,396.	0.	
VALQUEST PARTNERS GARDEN HOUSE LP	-10,209.	0.	
VALQUEST MANVEL LP (MPC)	-162.	0.	
VALQUEST PARTNERS BATON ROUGE LP	-105,676.	0.	
VALQUEST CAMP BOWIE LP	-21,652.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	2,837,157.	3,164,629.	

FORM 990-PF	LEGAL FEES			STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
LEGAL	83,246.	28,357.		26,919.	
TO FM 990-PF, PG 1, LN 16A	83,246.	28,357.		26,919.	

FORM 990-PF	ACCOUNTING FEES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING	9,446.	4,723.		4,723.	
TO FORM 990-PF, PG 1, LN 16B	9,446.	4,723.		4,723.	

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
MINERAL MANAGEMENT	10,838.	10,838.		0.	
OUTSIDE SERVICES	84,435.	59,360.		0.	
TO FORM 990-PF, PG 1, LN 16C	95,273.	70,198.		0.	

FORM 990-PF	TAXES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
PAYROLL TAX	26,295.	12,590.		13,525.	
EXCISE TAXES	40,000.	0.		0.	
REAL PROPERTY TAXES	28,092.	28,092.		0.	
FOREIGN TAXES	434.	434.		0.	
TO FORM 990-PF, PG 1, LN 18	94,821.	41,116.		13,525.	

FORM 990-PF	OTHER EXPENSES		STATEMENT		8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FILING FEES	336.	0.		0.	
DATA PROCESSING	7,297.	6,019.		0.	
MEMBERSHIPS & DUES	2,020.	0.		2,020.	
INSURANCE	2,250.	2,250.		0.	
BANK CHARGES	443.	0.		0.	
DESIGN, GRAPHICS	934.	0.		934.	
INVESTMENT CARRYING COSTS	3,489.	3,309.		0.	
UBS SERVICES FEE	150.	150.		0.	
HISTORICAL PRESERVATION PROJECT	4,674.	0.		4,674.	
AMORTIZATION	607.	0.		0.	
TO FORM 990-PF, PG 1, LN 23	22,200.	11,728.		7,628.	

FOOTNOTES	STATEMENT	9
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ELECTION PURSUANT TO REGS. SEC 53.4942-3(C)(2):
PAGE 9, PART XIII, LINE 7:

THE FOUNDATION IS MAKING AN ELECTION TO TREAT \$680,639 AS
DISTRIBUTIONS FROM CORPUS TO SATISFY THE REQUIREMENTS
OF SEC. 4942(G)(3).

THE FOUNDATION MAKES THE ELECTION TO TREAT THIS DISTRIBUTION
AS COMING FROM DISTRIBUTION CARRYOVERS FROM PRIOR YEARS.

EXCESS FROM 2007	242,592.
EXCESS FROM 2008	438,047.
TOTAL	680,639.

FORM 990-PF	CORPORATE STOCK	STATEMENT 10
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST BANK OF TX-EQUITY SECURITIES	829,251.	832,385.
UBS-DEVON ENERGY CORP	242,485.	294,000.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,071,736.	1,126,385.

FORM 990-PF	CORPORATE BONDS	STATEMENT 11
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST BANK OF TX-MFB NORTHERN BOND FUNDS	425,000.	428,012.
TOTAL TO FORM 990-PF, PART II, LINE 10C	425,000.	428,012.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	12
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST BANK OF TX-NORTHERN MM FUND	COST	1,030,877.	1,030,886.
OIL AND GAS ROYALTY INTERESTS (OHIO)	COST	355,009.	219,447.
VALQUEST PARTNERS ROSENBERG 59 LP	COST	170,349.	170,349.
VALQUEST PARTNERS SCHOOLHOUSE LP	COST	0.	0.
VALQUEST NWC 288 LP	COST	110,720.	110,720.
OIL AND GAS ROYALTY INTERESTS (TX)	COST	5,385,812.	10,714,219.
VALQUEST HUDSON RETAIL LP	COST	62,196.	62,196.
RCP ARGYLE 114 LTD	COST	187,791.	187,791.
UBS-MONEY MARKET	COST	287,203.	287,203.
VALQUEST PRINCETON 55 LP	COST	143,287.	143,287.
VALQUEST MANVEL LP	COST	467,534.	467,534.
VALQUEST CONROE MARINAS LP	COST	167,269.	167,269.
VALQUEST GRACY FARMS LP	COST	0.	0.
VALQUEST PARTNERS 161/IRVING LP	COST	85,373.	85,373.
SILVER TREE REALTY FUND II LP	COST	529,082.	529,082.
VALQUEST PARTNERS GARDEN HOUSE LP	COST	85,372.	85,372.
VALQUEST MANVEL LP (MPC)	COST	12,163.	12,163.
VALQUEST BATON ROUGE LP	COST	0.	0.
VALQUEST GRACY FARMS LP (MPC)	COST	0.	0.

THE MILES FOUNDATION, INC.

75-2739180

VALQUEST CAMP BOWIE LP	COST	111,511.	111,511.
NAVASOTA 200 BLACK LLC	COST	151,754.	151,754.
NAVASOTA HAWK JENSEN LLC (MPC)	COST	130,000.	0.
TOTAL TO FORM 990-PF, PART II, LINE 13		9,473,302.	14,536,156.

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 13

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
COMPUTER HARDWARE	3,327.	3,135.	192.
QUICKBOOKS & SAFECART SOFTWARE	983.	300.	683.
SPAM SOFTWARE	131.	33.	98.
ANTI-VIRUS SOFTWARE	229.	51.	178.
ADOBE SOFTWARE	1,335.	223.	1,112.
COMPUTER BACKUP	968.	581.	387.
TOTAL TO FM 990-PF, PART II, LN 14	6,973.	4,323.	2,650.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 14

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
ARGYLE ISD EDUCATION FOUNDATION 800 EAGLE DR ARGYLE, TX 76226	EDUC ASSISTANCE AND SPECIAL PROGRAMS		53,471.
BRIDGEPORT ISD FOUNDATION NO 1 MAROON DR BRIDGEPORT, TX 76426	EDUC ASSISTANCE AND SPECIAL PROGRAMS		20,000.
CARROLLTON FARMERS BRANCH EDUC FOUNDATION 1820 PEARL ST, BUILDING B CARROLLTON, TX 75006	EDUC ASSISTANCE AND SPECIAL PROGRAMS		30,000.
AEG FOUNDATION P O BOX 460518 DENVER, CO 80246	EDUC ASSISTANCE AND SPECIAL PROGRAMS		1,000.
DALLAS CO. COMMUNITY COLLEGE FDN. 701 ELM ST, STE 700 DALLAS, TX 75202	EDUC ASSISTANCE AND SPECIAL PROGRAMS		738,812.
DALLAS GEOPHYSICAL SOCIETY P O BOX 801808 DALLAS, TX 75380	EDUC ASSISTANCE AND SPECIAL PROGRAMS		6,547.
CONSERVATION NORTHWEST 1208 BAY ST #201 BELLINGHAM, WA 98225	EDUC. SCHOLARSHIP		200.
FRONTIERS OF FLIGHT MUSEUM DALLAS LOVE FIELD TERMINAL LP-18 DALLAS, TX 75235	EDUC ASSISTANCE AND SPECIAL PROGRAMS		10,000.

. THE MILES FOUNDATION, INC.		75-2739180
JACKSBORO EX-STUDENTS ASSN BOX 337 JACKSBORO, TX 76458	EDUC. SCHOLARSHIP	15,000.
JUNIOR ACHIEVEMENT 6300 RIDGLEA PLACE, SUITE 400 FORT WORTH, TX 76116	EDUC. SCHOLARSHIP	30,000.
KELLER ISD EDUCATION FOUNDATION P O BOX 101 KELLER, TX 76244	EDUC ASSISTANCE AND SPECIAL PROGRAMS	3,000.
MORE ROCKS IN YOUR HEAD 3939 VALLEY VIEW LANE FARMERS BRANCH, TX 75244	EDUC ASSISTANCE AND SPECIAL PROGRAMS	6,718.
LIBERTY CHRISTIAN SCHOOL 1301 S HWY 377 ARGYLE, TX 76226	EDUC ASSISTANCE AND SPECIAL PROGRAMS	50,000.
LIBERTY ISD FOUNDATION 1600 GRAND AVE LIBERTY, TX 77575	EDUC. SCHOLARSHIP	90,000.
REGION 14 ESC 1850 HIGHWAY 351 ABILENE, TX 79601	EDUC ASSIST & SPECIAL PROGRAMS	6,365.
92ND USAFF/USAF MEMORIAL P O BOX 1109 CARLTON, OR 97111	EDUC ASSISTANCE AND SPECIAL PROGRAMS	1,500.
NORTH TEXAS BOOK FESTIVAL 710 OLD JUSTIN RD ARGYLE, TX 76226	EDUC ASSISTANCE AND SPECIAL PROGRAMS	3,000.
TYLER ISD 1319 NEW SUNNYBROOK TYLER, TX 75701	EDUC ASSIST & SPECIAL PROGRAMS	2,100.

THE MILES FOUNDATION, INC.		75-2739180
COMMUNITIES CIVIC LEAGUE P O BOX 323 ARGYLE, TX 76226	EDUC ASSIST & SPECIAL PROGRAMS	1,000.
SUSAN G KOMEN FOUNDATION P O BOX 650309 DALLAS, TX 75265	EDUC ASSISTANCE AND SPECIAL PROGRAMS	1,500.
CAST OF DREAMS 125 REDTAIL COURT WEATHERFORD, TX 76088	EDUC ASSISTANCE AND SPECIAL PROGRAMS	1,500.
WHITE SETTLEMENT EDUC FUND 401 S. CHERRY LANE FORT WORTH, TX 76108	EDUC ASSISTANCE AND SPECIAL PROGRAMS	2,000.
REGION 2 ESC CORPUS CHRISTI 209 N WATER ST CORPUS CHRISTI, TX 78401	EDUC ASSIST & SPECIAL PROGRAMS	7,031.
CHRISTINA'S SMILE 12702 SHERBOURNE ST STE B AUSTIN, TX 78729	EDUC ASSIST & SPECIAL PROGRAMS	500.
CHILDREN'S ADVOCACY CENTER 1854 CAIN DR LEWISVILLE, TX 75077	EDUC ASSIST & SPECIAL PROGRAMS	5,000.
LEWISVILLE ISD EDUCATION FOUNDATION P O BOX 643 LEWISVILLE, TX 75067	EDUC ASSIST & SPECIAL PROGRAMS	5,000.
TAEF 18308 FM 1253 LINDALE, TX 75771	EDUC ASSIST & SPECIAL PROGRAMS	6,700.
SCI-TECH DISCOVERY CENTER 8004 N DALLAS PKWY FRISCO, TX 75034	EDUC ASSIST & SPECIAL PROGRAMS	5,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3A		1,102,944.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
APPROVED FOR FUTURE PAYMENT

STATEMENT 15

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
DALLAS CO. COMMUNITY COLLEGE FDN. 701 ELM ST, STE 700 DALLAS, TX 75202	EDUC ASSIST & SPECIAL PROGRAMS-SUBJECT TO AVAILABLE FUNDS		3850000.
LIBERTY CHRISTIAN SCHOOL 1301 S HWY 377 ARGYLE, TX 76226	EDUC ASSIST & SPECIAL PROGRAMS-SUBJECT TO AVAILABLE FUNDS		100,000.
UNTHSC/TCOM FOUNDATION 3500 CAMP BOWIE BLVD FORT WORTH, TX 76107	EDUC ASSIST & SPECIAL PROGRAMS-SUBJECT TO AVAILABLE FUNDS		350,000.
TEXAS CONSERVATION ALLIANCE P O BOX 6295 TYLER, TX 75711	EDUC ASSIST & SPECIAL PROGRAMS-SUBJECT TO AVAILABLE FUNDS		10,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3B			4,310,000.

FORM 990-PF

OTHER REVENUE

STATEMENT 16

DESCRIPTION	BUS CODE	UNRELATED BUSINESS INC	EXCL CODE	EXCLUDED AMOUNT	RELATED OR EXEMPT FUNC- TION INCOME
VALQUEST WESTFIELD LP	531390	0.			
VALQUEST PTRS ROSENBERG 59 LP	531390	-30,820.			
SILVER TREE REALTY FUND II LP	531390	-42,929.			
VALQUEST PARTNERS SCHOOLHOUSE LP	531390	-101,152.			
VALQUEST NWC 288, LP	531390	-5,701.			
VALQUEST HUDSON RETAIL LP	531390	-6,246.			
RCP ARGYLE 114, LTD	531390	-3,232.			
VALQUEST PRINCETON 55, LP	531390	-10,838.			
VALQUEST PARTNERS CONROE MARINAS LP	531390	9,623.			

VALQUEST PARTNERS	531390	
161/IRVING LP		848.
VALQUEST MANVEL LP	531390	-722.
VALQUEST PARTNERS GRACY	531390	
FARMS LP		1,396.
VALQUEST PARTNERS GARDEN	531390	
HOUSE LP		-10,209.
VALQUEST MANVEL LP (MPC)	531390	-162.
VALQUEST PARTNERS BATON	531390	
ROUGE LP		-105,676.
VALQUEST CAMP BOWIE LP	531390	-21,652.
TOTAL TO FORM 990-PF, PG 11, LN 11		-327,472.

FORM 4562

PART VI - AMORTIZATION

STATEMENT 19

(A) DESCRIPTION OF COSTS	(B) DATE BEGAN	(C) AMORTIZABLE AMOUNT	(D) CODE SECTION	(E) PERIOD/ PERCENT	(F) AMORTIZATION THIS YEAR
QUICKBOOKS & SAFECART SOFTWARE	02/10/09	983.		36M	300.
SPAM SOFTWARE	03/23/09	131.		36M	33.
ANTI-VIRUS SOFTWARE	05/14/09	229.		36M	51.
ADOBE SOFTWARE	07/15/09	1,335.		36M	223.
TOTAL TO FORM 4562, LINE 42					607.