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Form **990**

Return of Organization Exempt From Income Tax

2009

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2009 calendar year, or tax year beginning , 2009, and ending , 20

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	C Name of organization RX FOR READING Doing Business As		D Employer identification number 95-4240189
		Number and street (or P O box if mail is not delivered to street address) Room/suite		E Telephone number (310) 472-2020
		P.O. BOX 491190		G Gross receipts \$ 2,858,345.
		City or town, state or country, and ZIP + 4 LOS ANGELES, CA 90049		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)
F Name and address of principal officer. JESSICA FLORES P.O. BOX 491190 LOS ANGELES, CA 90049		I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: ▶ N/A		H(c) Group exemption number ▶		
K Form of organization Corporation <input checked="" type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 1981		M State of legal domicile CA

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities RX FOR READING'S MISSION IS TO PROVIDE ALL STUDENTS, ESPECIALLY THOSE IN LOW-INCOME COMMUNITIES, WITH ACCESS TO A HIGH-QUALITY EDUCATION THAT WILL PREPARE THEM TO COMPETE SUCCESSFULLY IN THE 21ST CENTURY.	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets	
	3	Number of voting members of the governing body (Part VI, line 1a)	3 8
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 6
	5	Total number of employees (Part V, line 2a)	5 3
	6	Total number of volunteers (estimate if necessary)	6
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year: 1,121,854. Current Year: 361,296.
	9	Program service revenue (Part VIII, line 2g)	0. 0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-187,582. -441,219.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0. 0.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	934,272. -79,923.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	4,278,339. 1,362,485.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0. 0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	234,119. 226,158.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0. 0.
	16b	Total fundraising expenses, Part IX, column (D), line 25 ▶ 61,629.	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	180,770. 131,324.
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	4,693,228. 1,719,967.
19	Revenue less expenses Subtract line 18 from line 12	-3,758,956. -1,799,890.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Year: 4,206,797. End of Year: 2,346,136.
	21	Total liabilities (Part X, line 26)	98,994. 38,223.
	22	Net assets or fund balances Subtract line 21 from line 20	4,107,803. 2,307,913.

Part II Signature Block

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 officer) is based on all information of which preparer has any knowledge.

Sign Here ▶ *Jessica Flores* Signature of officer Date *11/12/10*

▶ *Jessica Flores, President* Type or print name and title

Paid Preparer's Use Only

Preparer's signature: *[Signature]* Date: *11/11/10* Check if self-employed: Preparer's identifying number (see instructions): P00288688

Firm's name (or yours if self-employed), address, and ZIP + 4: J. ARTHUR GREENFIELD & CO. LLP 10880 WILSHIRE BLVD STE 800 LOS ANGELES, CA 90024-4124 EIN: 95-2118809 Phone no: 310-208-2646

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

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

Form 990 (2009)

SCANNED DEC 03 2010

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

RX FOR READING'S MISSION IS TO PROVIDE ALL STUDENTS, ESPECIALLY THOSE IN LOW-INCOME COMMUNITIES, WITH ACCESS TO A HIGH-QUALITY EDUCATION THAT WILL PREPARE THEM TO COMPETE SUCCESSFULLY IN THE 21ST CENTURY.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code _____) (Expenses \$ 668,821 including grants of \$ _____) (Revenue \$ _____)
TECHNOLOGY PROGRAMS

4b (Code _____) (Expenses \$ 152,980 including grants of \$ _____) (Revenue \$ _____)
GENERAL EDUCATION CONTRIBUTIONS

4c (Code _____) (Expenses \$ 132,780 including grants of \$ _____) (Revenue \$ _____)
SCHOOL CHOICE PROJECTS

4d Other program services (Describe in Schedule O)
(Expenses \$ 564,207 including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses **▶** 1,518,788.

Part IV Checklist of Required Schedules

Table with 3 columns: Question, Yes, No. Rows 1-20 contain various questions about organizational activities and reporting requirements, with 'Yes' and 'No' columns marked with 'X' or 'N/A'.

Part IV Checklist of Required Schedules (continued)

	Yes	No
21. Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>	X	
22. Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>		X
23. Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i>		X
24 a. Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to question 25.</i>		X
b. Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	N/A	
c. Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	N/A	
d. Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	N/A	
25 a. Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i>		X
b. Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i>		X
26. Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II.</i>		X
27. Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III.</i>		X
28. Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a. A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>	X	
b. A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
c. An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i>		X
29. Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>		X
30. Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i>		X
31. Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>		X
32. Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i>		X
33. Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i>		X
34. Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1.</i>	X	
35. Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		X
36. Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		X
37. Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i>		X
38. Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O		X

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question number, question text, and Yes/No response. Includes questions 1a-12b regarding IRS filings, backup withholding, employee reporting, foreign accounts, and charitable trusts.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body		
1b	Enter the number of voting members that are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	X	
8b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?		X
10b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	N/A	
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?		X
11A	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13		X
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	N/A	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	N/A	
13	Does the organization have a written whistleblower policy?		X
14	Does the organization have a written document retention and destruction policy?		X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official	X	
15b	Other officers or key employees of the organization	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	N/A	

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CA
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization JESSICA FLORES P.O. BOX 491190 LOS ANGELES, CA 90049
310-472-2020

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year Use Schedule J-2 if additional space is needed

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if the organization did not compensate any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
RICHARD J. RIORDAN CHAIRPERSON		X					0.	0		
CARL W. MCKENZIE, ESQ. DIRECTOR		X					0.	0		
PATRICIA TORREY CHIEF FINCL OFFICER		X		X			0.	0		
KATHLEEN A. RIORDAN VICE PRESIDENT		X					0.	0		
MARY BETH RIORDAN VICE PRESIDENT		X					0.	0		
REBECCA LANGAN BUNN PRESIDENT	40.00	X		X		X	126,000.	14,000		
JEFFREY GLASSMAN DIRECTOR		X					0.	0		
JESSICA FLORES VICE-PRESIDENT	40.00			X			51,675.	5,742		

Part VIII Statement of Revenue

95-4240189

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions) . .	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f	361,296				
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f ATTACHMENT 5		361,296				
Program Service Revenue				Business Code				
	2a							
	b							
	c							
	d							
	e							
	f	All other program service revenue						
g	Total. Add lines 2a-2f			0				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ATTACHMENT 3		81,560			81,560	
	4	Income from investment of tax-exempt bond proceeds		0				
	5	Royalties		0				
	6a	Gross Rents	(i) Real	(ii) Personal				
			Less rental expenses					
			c Rental income or (loss)					
	d	Net rental income or (loss)			0			
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			2,415,489					
			Less cost or other basis and sales expenses					
			2,938,268					
	c	Gain or (loss)			-522,779		-522,779	
	d	Net gain or (loss)			-522,779		-522,779	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 a						
	b	Less direct expenses b						
	c	Net income or (loss) from fundraising events			0			
	9a	Gross income from gaming activities See Part IV, line 19 a						
b	Less direct expenses b							
c	Net income or (loss) from gaming activities			0				
10a	Gross sales of inventory, less returns and allowances a							
b	Less cost of goods sold b							
c	Net income or (loss) from sales of inventory			0				
Miscellaneous Revenue			Business Code					
11a								
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d			0				
12	Total Revenue. See instructions			-79,923			-441,219	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the US See Part IV, line 21 . . .	1,362,485.	1,362,485.		
2 Grants and other assistance to individuals in the US See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the US See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	177,675.	91,740.	59,284.	26,651.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	0.			
7 Other salaries and wages	19,794.	5,938.	6,928.	6,928.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . .	0.			
9 Other employee benefits	14,793.	7,317.	4,960.	2,516.
10 Payroll taxes	13,896.	6,874.	4,659.	2,363.
11 Fees for services (non-employees)				
a Management	0.			
b Legal	189.		189.	
c Accounting	18,900.	1,890.	15,120.	1,890.
d Lobbying	0.			
e Professional fundraising services See Part IV, line 17	0.			
f Investment management fees	17,166.		17,166.	
g Other	0.			
12 Advertising and promotion	0.			
13 Office expenses	6,126.	3,030.	2,054.	1,042.
14 Information technology	0.			
15 Royalties	0.			
16 Occupancy	51,316.	25,384.	17,206.	8,726.
17 Travel	0.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	0.			
20 Interest	0.			
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization . .	248.		248.	
23 Insurance	1,262.	624.	423.	215.
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a CONSULTING FEES	9,690.	1,938.	3,876.	3,876.
b FILING FEES	180.		180.	
c PRINTING & PUBLICATION	6,942.	2,291.	2,291.	2,360.
d POSTAGE	2,093.	1,035.	702.	356.
e PAYROLL SERVICE FEES	2,556.	1,264.	857.	435.
f All other expenses <u>STMT 7</u>	14,656.	6,978.	3,407.	4,271.
25 Total functional expenses. Add lines 1 through 24f	1,719,967.	1,518,788.	139,550.	61,629.
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing		1	
	2	Savings and temporary cash investments	191,099.	2	65,584.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	1,240.		
	b	Less accumulated depreciation	279.	10c	961.
	11	Investments - publicly traded securities	4,010,525.	11	2,275,627.
	12	Investments - other securities See Part M, line 11		12	
	13	Investments - program-related See Part M, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part M, line 11	3,964.	15	3,964.
16	Total assets. Add lines 1 through 15 (must equal line 34)	4,206,797.	16	2,346,136.	
Liabilities	17	Accounts payable and accrued expenses	98,994.	17	38,223.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities Complete Part X of Schedule D		25	
	26	Total liabilities. Add lines 17 through 25	98,994.	26	38,223.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets		27	
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds	4,107,803.	32	2,307,913.
33	Total net assets or fund balances	4,107,803.	33	2,307,913.	
34	Total liabilities and net assets/fund balances	4,206,797.	34	2,346,136.	

Part XI Financial Statements and Reporting

- 1 Accounting method used to prepare the Form 990 Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
- d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both.
 Separate basis Consolidated basis Both consolidated and separate basis
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b		X
2c		
3a		X
3b		

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	698,861	7,072,693	685,986	1,121,854	361,296	9,940,690
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3.	698,861	7,072,693	685,986	1,121,854	361,296	9,940,690
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f). <i>ATCH 1</i>						136,885
6 Public support. Subtract line 5 from line 4						9,803,805

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	698,861	7,072,693	685,986	1,121,854	361,296	9,940,690
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	268,541	558,438	759,494	-180,170	-441,219	965,084
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						10,905,774
12 Gross receipts from related activities, etc (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	89.90%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	74.41%
16a 33 1/3% support test - 2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input checked="" type="checkbox"/>
b 33 1/3% support test - 2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

- 19a **33 1/3% support tests - 2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here The organization qualifies as a publicly supported organization ►
- b **33 1/3% support tests - 2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here The organization qualifies as a publicly supported organization ►
- 20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10, Part II, line 17a or 17b, or Part III, line 12. Provide any other additional information. See instructions.

ATTACHMENT 1

SCHEDULE A, PART II - EXCESS CONTRIBUTIONS

(NOT OPEN TO PUBLIC INSPECTION)

<u>CONTRIBUTOR NAME</u>	<u>TOTAL CONTRIBUTION</u>	<u>LESS 2% OF LINE 11 (F)</u>	<u>EXCESS CONTRIBUTION AMOUNT</u>
	355,000.	218,115.	136,885.
TOTAL	<u>355,000.</u>		<u>136,885.</u>

Supplemental Financial Statements

2009

Open to Public Inspection

Department of the Treasury Internal Revenue Service

- Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

Name of the organization RX FOR READING

Employer identification number 95-4240189

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include Total number at end of year, Aggregate contributions, Aggregate grants, Aggregate value, and two Yes/No questions regarding donor advised funds.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7

Form for Part II Conservation Easements. Includes checkboxes for types of easements (public use, natural habitat, open space, historic area, historic structure) and a table for 'Held at the End of the Year' with rows 2a-2d.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions 1a, 1b, 2, and 2a, 2b regarding reporting requirements and amounts.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶ _____ %
- b Permanent endowment ▶ _____ %
- c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		1,240	279	961
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)).				961

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)		1
2	Total expenses (Form 990, Part IX, column (A), line 25)		2
3	Excess or (deficit) for the year Subtract line 2 from line 1		3
4	Net unrealized gains (losses) on investments		4
5	Donated services and use of facilities		5
6	Investment expenses		6
7	Prior period adjustments		7
8	Other (Describe in Part XIV)		8
9	Total adjustments (net) Add lines 4 through 8		9
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9		10

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements		1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		2e
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d		2e
3	Subtract line 2e from line 1		3
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		4c
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b		4c
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)		5

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements		1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		2e
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d		2e
3	Subtract line 2e from line 1		3
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		4c
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b		4c
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)		5

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Part XIV Supplemental Information *(continued)*

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information

1 _____

FORM 990, SCHEDULE I, PART I, LINE 2 _____

RX FOR READING CAREFULLY MONITORS THE USE OF GRANT FUNDS THAT COME INTO _____

THE ORGANIZATION BY TRACKING ALL EXPENDITURES ON AN EXCEL SPREADSHEET AND _____

SUBMITTING UPDATES TO DONORS AS REQUESTED. THE PRESIDENT AND THE VICE _____

PRESIDENT REVIEW THIS SPREADSHEET REGULARLY TO ENSURE ITS ACCURACY. RX _____

FOR READING MONITORS THE USE OF GRANTS THAT THE ORGANIZATION PROVIDES TO _____

DESERVING APPLICANTS BY CONDUCTING SITE VISITS, COLLECTING DATA AND _____

REQUIRING ANNUAL REPORTS FROM OUR GRANTEEES. _____

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

RX FOR READING

Employer identification number

95-4240189

ATTACHMENT 2

1

FORM 990, PART VI, LINE 11A

THE RX FOR READING BOARD OF DIRECTORS DELEGATES THE REVIEW OF THE FORM
990 TO THE PRESIDENT OF THE ORGANIZATION, WHO REVIEWS THE ITEMS CAREFULLY
BASED ON THE PRIOR YEAR'S FINANCIALS AND GUIDANCE FROM TAX ACCOUNTANTS.

2

FORM 990, PART VI, LINE 19

RX FOR READING MAINTAINS ALL OF ITS GOVERNING DOCUMENTS AND FINANCIAL
STATEMENTS IN ITS OFFICES. ALL OF THESE DOCUMENTS ARE MADE AVAILABLE TO
THE PUBLIC UPON REQUEST.

3

FORM 990, PART III, LINE 4D

OTHER PROGRAM SERVICES - INFORMATION AVAILABLE UPON REQUEST

4

FORM 990, PART VI, LINE 2

THE FOLLOWING OFFICERS OF RX FOR READING ARE FAMILY MEMBERS:

1. RICHARD J. RIORDAN - CHAIRPERSON
2. KATHLEEN A. RIORDAN - DIRECTOR
3. MARY BETH RIORDAN - DIRECTOR
4. PATRICIA R. TORREY - CHIEF FINANCIAL OFFICER

Name of the organization
RX FOR READING

Employer identification number
95-4240189

ATTACHMENT 2 (CONT'D)

5

FORM 990, PART VI, SECTION B., LINE 15A & B

COMPENSATION DECISIONS ARE MADE BY EITHER THE PRESIDENT OR THE FOUNDER OF THE FOUNDATION. DECISIONS ARE MADE BASED ON COMPARABLE DATA, EMPLOYEE EXPERIENCE AND PERFORMANCE REVIEWS.

ATTACHMENT 3

FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) <u>TOTAL REVENUE</u>	(B) <u>RELATED OR EXEMPT REVENUE</u>	(C) <u>UNRELATED BUSINESS REV.</u>	(D) <u>EXCLUDED REVENUE</u>
INTEREST ON SCHWAB MONEY MARKET FUND	279			279
DIVIDENDS & INTEREST FROM SECURITIES - SCHWAB	81,281			81,281
TOTALS	<u>81,560</u>			<u>81,560</u>

ATTACHMENT 4

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
FED & STATE GOV'T OBLIGATIONS	349,518.
CORPORATE BONDS	227,445.
CORPORATE STOCKS	1,652,195.
MUTUAL & DEFINED ASSETS FUNDS	46,469.
(SEE SCHEDULE B.1-B.2)	
TOTALS	<u>2,275,627.</u>

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to other organization(s)		X
c Gift, grant, or capital contribution from other organization(s)		X
d Loans or loan guarantees to or for other organization(s)		X
e Loans or loan guarantees by other organization(s)		X
f Sale of assets to other organization(s)		X
g Purchase of assets from other organization(s)		X
h Exchange of assets		X
i Lease of facilities, equipment, or other assets to other organization(s)		X
j Lease of facilities, equipment, or other assets from other organization(s)		X
k Performance of services or membership or fundraising solicitations for other organization(s)		X
l Performance of services or membership or fundraising solicitations by other organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets	X	
n Sharing of paid employees	X	
o Reimbursement paid to other organization for expenses	X	
p Reimbursement paid by other organization for expenses		X
q Other transfer of cash or property to other organization(s)		X
r Other transfer of cash or property from other organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of other organization	(b) Transaction type (e-r)	(c) Amount involved
(1)	THE RIORDAN FOUNDATION	0	38,223.
(2)			
(3)			
(4)			
(5)			
(6)			

FORM 990, PART VIII - CONTRIBUTIONS

ATTACHMENT 5

<u>NAME AND ADDRESS</u>	<u>DATE</u>	<u>FEDERATED CAMPAIGNS</u>	<u>MEMBERSHIP DUES</u>	<u>FUNDRAISING EVENTS</u>	<u>RELATED ORGANIZATIONS</u>	<u>GOVERNMENT GRANTS</u>	<u>ALL OTHER CONTRIBUTIONS</u>
VIEW PARK SCHOOL 5701 CRENSHAW BLVD LOS ANGELES, CA 90043	01/08/2009						9,746.
ROMAN CATHOLIC ARCHBISHOP OF LOS ANGELES 3424 WILSHIRE BLVD LOS ANGELES, CA 90010	VAR						29,679
FRIES AVENUE ELEMENTARY SCHOOL 1301 N FRIES AVENUE WILMINGTON, CA 90744	01/08/2009						14,898
GULF AVENUE ELEMENTARY SCHOOL 828 WEST L STREET WILMINGTON, CA 90744	01/08/2009						11,054
ST. COLUMBKILLE SCHOOL 145 W 64TH STREET LOS ANGELES, CA 90003	04/15/2009						12,891
CHRIST THE KING ELEMENTARY SCHOOL 617 N ARDEN BLVD LOS ANGELES, CA 90004	08/10/2009						8,290
PACOINA CHARTER SCHOOL 11016 NORRIS AVE PACOINA, CA 91331	12/31/2009						12,871
LOS ANGELES UNIFIED SCHOOL DISTRICT 1330 WEST PICO BLVD , LOS ANGELES, CA 90015	VAR						101,996

FORM 990, PART VIII - CONTRIBUTIONS

ATTACHMENT 5 (CONT'D)

<u>NAME AND ADDRESS</u>	<u>DATE</u>	<u>FEDERATED CAMPAIGNS</u>	<u>MEMBERSHIP DUES</u>	<u>FUNDRAISING EVENTS</u>	<u>RELATED ORGANIZATIONS</u>	<u>GOVERNMENT GRANTS</u>	<u>ALL OTHER CONTRIBUTIONS</u>
IMACULATE CONCEPTION SCHOOL 830 GREEN AVENUE LOS ANGELES, CA 90017	12/31/2009						11,325
JMC INC 3554 BUSINESS PARK DR , STE C COSTA MESA, CA 92626	12/31/2009						10,000.
HUGH & HAZEL DARLING FOUNDATION 520 S GRAND AVENUE LOS ANGELES, CA 90071	12/31/2009						5,000
WALLIS FOUNDATION 1880 CENTURY PARK E, STE 700 LOS ANGELES, CA 90067	09/16/2009						50,000
MISCELLANEOUS	VAR						29,960
KIPP ACADEMY OF OPPORTUNITY 7019 S VAN NESS AVENUE LOS ANGELES, CA 90047	VAR						22,286
STUART FOUNDATION 500 WASHINGTON STREET, 8TH FLOOR SAN FRANCISCO, CA 94111	08/10/2009						26,300.
THE BROAD FOUNDATION 10900 WILSHIRE BLVD , 12TH FLOOR LOS ANGELES, CA 90024	12/31/2009						5,000
TOTALS							<u>361,296</u>

RX FOR READING
FEIN 95-4240189

FORM 990, PART IX, LINE 24f - ALL OTHER EXPENSES

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
	TOTAL EXPENSES	PROGRAM SERVICE EXPENSES	MANAGEMENT & GENERAL EXPENSES	FUNDRAISING EXPENSES
Bank Charges	7		7	
Entertainment	3,000	2,100	450	450
Dues & Subscriptions	2,934	587		2,347
Parking	4,189	2,072	1,405	712
Professional Development	41		41	
Storage	626	310	210	106
Telephone	3,859	1,909	1,294	656
	<hr/>	<hr/>	<hr/>	<hr/>
Total All Other Expenses	<u>14,656</u>	<u>6,978</u>	<u>3,407</u>	<u>4,271</u>

CONTRIBUTIONS, GRANTS, AND SIMILAR AMOUNTS PAID DURING THE YEAR

<u>DATE</u>	<u>CLASS OF ACTIVITY</u>	<u>AMOUNT</u>
VARIOUS	GENERAL SUPPORT	434,980
VARIOUS	COMPUTERS IN THE CLASSROOM	205,512
VARIOUS	ENGLISH LANGUAGE DEVELOPMENT	2,818
VARIOUS	KIDTYPE PROGRAMS	107,444
VARIOUS	LEADERSHIP DEVELOPMENT	66,742
VARIOUS	RECREATIONAL READING MINI GRANT	59,162
VARIOUS	SCHOOL CHOICE INITIATIVE	132,780
VARIOUS	WATERFORD EARLY READING PROGRAM	27,942
VARIOUS	TECHNOLOGY CONFERENCE	4,864
VARIOUS	SMART CLASSROOMS	320,241
		<u>1,362,485</u>

FORM 990 SCHEDULE L - INVESTMENTS-SECURITIES

FEDERAL & STATE GOVERNMENT OBLIGATIONS

150,000	SHS	FEDERAL FARM CREDIT BANK 3 8% 04/27/2017	\$	150,018
100,000	SHS	FEDERAL FARM CREDIT BANK 4 2% 04/01/2019		100,000
100,000	SHS	FEDERAL FARM CREDIT BANK 4 8% 05/20/2024		99,500
		TOTAL INVESTMENTS IN GOV OBLIGATIONS	\$	<u>349,518</u>

CORPORATE BONDS

25,000	SHS	FEDERAL HOME LOAN MTG 3.25% 03/03/2014	\$	24,905
50,000	SHS	EMERSON ELECTRICAL CO 5 125 12/01/2016		50,908
25,000	SHS	GENERAL ELECTRIC CO 5 25% 12/06/2017		26,006
25,000	SHS	JP MORGAN CHASE 6% 01/15/2018		25,018
100,000	SHS	MORGAN STANLEY 6% 05/13/2014		100,608
		TOTAL CORPORATE BONDS	\$	<u>227,445</u>

INVESTMENT IN STOCKS

1,100	SHS	ACE LIMITED NEW	\$	50,253
1,000	SHS	ALLERGAN INC		52,982
93	SHS	AOL INC		2,486
800	SHS	APACHE CORP		52,753
1,000	SHS	AVON PRODS INC CO		28,551
12	SHS	BERKSHIRE HATHAWAY CL B		33,411
400	SHS	BHP BILLITON LTD ADR		18,520
1,500	SHS	CONOCOPHILLIPS		91,813
1,000	SHS	CVS CORP COM		29,041
500	SHS	CERNER CORP		29,975
2,000	SHS	CISCO SYSTEMS INC		54,571
1,000	SHS	CONSTELLATION ENERGY CO		23,208
500	SHS	COSTCO WHSL CORP		28,427
1,000	SHS	DOMINION RES INC VA NEW		32,766
1,100	SHS	DU PONT E I DE NEMOUR & CO		51,543
2,000	SHS	EMC CORP MASS		35,007

700 SHS	FLIR SYSTEMS INC	15,875
750 SHS	GENERAL DYNAMICS CORP	46,772
5,000 SHS	GENERAL ELECTRIC COMPANY	179,799
800 SHS	HEWLETT-PACKARD COMPANY	37,412
1,600 SHS	HOLOGIC INC	38,344
2,400 SHS	INTEL CORP	46,713
1,000 SHS	KRAFT FOODS INC	27,919
700 SHS	LILLY ELI & COMPANY	24,468
350 SHS	LOCKHEED MARTIN CORP	25,264
450 SHS	MCDONALDS CORP	24,480
1,500 SHS	MEDTRONIC INC	76,011
300 SHS	MONSANTO CO NEW DEL	23,259
500 SHS	NOVARTIS AG ADR	26,382
1,300 SHS	ORACLE CORP	16,482
750 SHS	PROCTER & GAMBLE	42,190
750 SHS	SAP AKTIENGESELL ADR F	40,532
500 SHS	SIEMENS A G ADR	55,123
1,000 SHS	TARGET CORP	49,408
1,033 SHS	TIME WARNER INC	34,326
325 SHS	VF CORPORATION	23,600
1,000 SHS	VERIZON COMMUNICATIONS	37,460
2,300 SHS	VODAFONE GROUP NEW ADR	45,572
1,000 SHS	WALMART STORES INC	49,757
600 SHS	3M COMPANY	49,740
	TOTAL INVESTMENTS IN STOCK	<u>\$ 1,652,195</u>

MUTUAL FUNDS & DEFINED ASSETS FUNDS

1,200 SHS	ISHARES MSCI BRAZIL INDX	<u>\$ 46,469</u>
	TOTAL OTHER INVESTMENTS	<u>\$ 46,469</u>
	TOTAL INVESTMENTS - SECURITIES	<u>\$ 2,275,627</u>

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2009

Name of estate or trust
RX FOR READING

Employer identification number
95-4240189

Note: Form 5227 filers need to complete only Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	-89,433.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2008 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ▶	5	-89,433.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	-433,346.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2008 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ▶	12	-433,346.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2009

Part III Summary of Parts I and II		(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part				
13	Net short-term gain or (loss)	13		-89,433.
14	Net long-term gain or (loss):			
a	Total for year	14a		-433,346.
b	Unrecaptured section 1250 gain (see line 18 of the wrksh)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a ▶	15		-522,779.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) if lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation		16
16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of a The loss on line 15, column (3) or b \$3,000	(3,000.)

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero
Caution: Skip this part and complete the worksheet on page 8 of the instructions if
 • Either line 14b, col (2) or line 14c, col (2) is more than zero, or
 • Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20	Add lines 18 and 19	20		
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶	21		
22	Subtract line 21 from line 20. If zero or less, enter -0-	22		
23	Subtract line 22 from line 17. If zero or less, enter -0-	23		
24	Enter the smaller of the amount on line 17 or \$2,300	24		
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box <input type="checkbox"/> No. Enter the amount from line 23	25		
26	Subtract line 25 from line 24	26		
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27		
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29	Subtract line 28 from line 27	29		
30	Multiply line 29 by 15% (.15)	30		
31	Figure the tax on the amount on line 23. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31		
32	Add lines 30 and 31	32		
33	Figure the tax on the amount on line 17. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33		
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34		

Depreciation and Amortization
(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to your tax return.

Attachment
Sequence No **67**

Name(s) shown on return

RX FOR READING

Identifying number
95-4240189

Business or activity to which this form relates

GENERAL DEPRECIATION

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	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
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 (see instructions)	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) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
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	248.
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						
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	
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 instructions	22	248.
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? 24b If "Yes," is the evidence written? 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 (see instructions) 26 Property used more than 50% in a qualified business use 27 Property used 50% or less in a qualified business use 28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 29 Add amounts in column (i), line 26 Enter here and on line 7, page 1

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

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? 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 (see instructions)

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? (See instructions) 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

42 Amortization of costs that begins during your 2009 tax year (see instructions) 43 Amortization of costs that began before your 2009 tax year 44 Total. Add amounts in column (f) See the instructions for where to report

