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Return of Organization Exempt From Income Tax

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

2009

Department of the Treasury
Internal Revenue Service

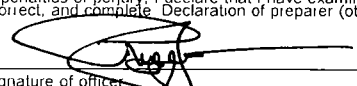
The organization may have to use a copy of this return to satisfy state reporting requirements

Open to Public Inspection

For the 2009 calendar year, or tax year beginning Jul 1, 2009, and ending Jun 30, 2010

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <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 GRACE TO YOU		D Employer identification number 95-3846510
		Number and street (or P O box if mail is not delivered to street addr); Room/suite 28001 HARRISON PARKWAY		E Telephone number (661) 295-5777
		City, town or county State ZIP code + 4 VALENCIA CA 91355		G Gross receipts \$ 16,122,870.
F Name and address of principal officer Phillip Johnson 28001 Harrison Pkwy Valencia CA 91355				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)
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: www.gty.org				
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other				
L Year of formation 1986 M State of legal domicile CA				

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities <u>To teach biblical truth with clarity, taking advantage of mass communications to expand the sphere of John MacArthur's teaching ministry via: radio and TV programming; distributing Bible teaching materials; and maintaining a website.</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	12
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	8
	5 Total number of employees (Part V, line 2a)	5	74
	6 Total number of volunteers (estimate if necessary)	6	150
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b Net unrelated business taxable income from Form 990-E, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	13,024,515.	13,858,900.
	9 Program service revenue (Part VIII, line 2g)	199,414.	210,430.
	10 Investment income (Part VIII, column (A), lines 8, 4, and 7d)	60,794.	39,864.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8, 9e, 10c, and 11a)	1,202,093.	923,945.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	14,486,816.	15,033,139.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	602,349.	563,602.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	4,771,623.	4,587,195.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	
	b Total fundraising expenses (Part IX, column (D), line 25) 334,986.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	8,702,214.	8,522,499.
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	14,076,186.	13,673,296.
19 Revenue less expenses Subtract line 18 from line 12	410,630.	1,359,843.	
Not Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year 10,873,625.	End of Year 11,990,568.
	21 Total liabilities (Part X, line 26)	3,006,250.	2,763,349.
	22 Net assets or fund balances Subtract line 21 from line 20	7,867,375.	9,227,219.

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 Signature of officer		Date 12/22/2010	Preparer's identifying number (see instructions)
Type or print name and title Phillip Johnson Executive Director/CEO			
Preparer's signature Rufus Harvey	Date 12/21/10	Check if self employed <input checked="" type="checkbox"/>	Preparer's identifying number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4 RUFUS HARVEY 28036 FLORENCE LN CANYON COUNTRY CA 91351-3813	EIN (661) 252-4541		

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

SCANNED JAN 13 2011

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Part III, Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

To spread the gospel of Jesus Christ by communicating the Bible to the world through the media.

See Form 990, Page 2, Part III, Line 1 (continued)

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 [X]

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 [X]

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 \$ 4,741,984. including grants of \$ 27,724.) (Revenue \$ 0.)

"Grace To You" daily radio program.

Our daily 30 minute program airs over 1,000 times per day across the United States.

4b (Code) (Expenses \$ 4,277,668. including grants of \$ 101,245.) (Revenue \$ 895,070.)

Distribution of Bible teaching resources.

Grace to You distributes hundreds of thousands of Bible teaching CDs, DVDs, and books at no charge. We also maintain a content-rich website which provides access to all of John MacArthur's sermons in audio, video and written form, free of charge. We also edit books by John MacArthur, and make them, along with CDs and DVDs of his messages available for sale.

4c (Code) (Expenses \$ 1,673,806. including grants of \$ 434,633.) (Revenue \$ 174,860.)

International ministry.

Gracia a Vosotros, the Spanish version of Grace to You, is broadcast in over 20 countries over 800 times per day. Grace to You also supports foreign ministry partners in Canada, Europe and India. These ministry partners support their constituents in similar ways to Grace to You. Grace to You also supports some of the foreign translations of John MacArthur's books.

4d Other program services (Describe in Schedule O)

(Expenses \$ 938,632. including grants of \$ 0.) (Revenue \$ 2,509.)

4e Total program service expenses 11,632,090.

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?		X
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II		X
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11	Is the organization's answer to any of the following questions 'Yes'? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
	<ul style="list-style-type: none"> • Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI • Did the organization report an amount for investments- other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII • Did the organization report an amount for investments- program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VIII • Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX • Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X • Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If 'Yes,' complete Schedule D, Part X 		
12	Did the organization obtain separate, independent audited financial statement for the tax year? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII	X	
12A	Was the organization included in consolidated, independent audited financial statement for the tax year? If 'Yes,' completing Schedule D, Parts XI, XII, and XIII is optional		
		Yes	No
12 A			X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	X	
14b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If 'Yes,' complete Schedule F, Part I	X	
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Part II	X	
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Part III		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20	Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H		X

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? If 'Yes,' complete Schedule I, Parts I and II	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? If 'Yes,' complete Schedule I, Parts I and III		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? If 'Yes,' complete Schedule J	X	
24a 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, and that was issued after December 31, 2002? If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
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?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a 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? If 'Yes,' complete Schedule L, Part 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? If 'Yes,' complete Schedule L, Part 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? If 'Yes,' complete Schedule L, Part II	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? If 'Yes,' complete Schedule L, Part III		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? If 'Yes,' complete Schedule L, Part IV	X	
b A family member of a current or former officer, director, trustee, or key employee? If 'Yes,' complete Schedule L, Part IV	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? If 'Yes,' complete Schedule L, Part IV	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? If 'Yes,' complete Schedule M	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If 'Yes,' complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If 'Yes,' complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If 'Yes,' complete Schedule N, Part II		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? If 'Yes,' complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Schedule R, Part V, line 2		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If 'Yes,' complete Schedule R, Part V, line 2		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? If 'Yes,' complete Schedule R, Part VI		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	

BAA

Form 990 (2009)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1 a	Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U S Information Returns Enter -0- if not applicable		
1 a	16		
1 b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable		
1 b	0		
1 c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2 a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2 a	74		
2 b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to file this return (see instructions)	X	
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
3 b	If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O		
4 a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4 b	If 'Yes,' enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5 c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6 a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7 a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?		
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	X	
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year		
7 d	1		
7 e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7 g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
7 h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9 a	Sponsoring organizations maintaining donor advised funds. Did the organization make any taxable distributions under section 4966?		
9 b	Did the organization make any distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
10 a	Initiation fees and capital contributions included on Part VIII, line 12		
10 b	Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter		
11 a	Gross income from other members or shareholders		
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12 a	Section 4947(a)(1) nonexempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year		

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:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 Is there any officer, director or 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?		
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?		X
12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done	X	
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?		
a The organization's CEO, Executive Director, or top management official	X	
b Other officers of 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?		

Section C. Disclosures

- 17** List the states with which a copy of this Form 990 is required to be filed: See States Form 990 Filed In
- 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
 - ▶ Rufus Harvey 28001 Harrison Parkway, Valencia CA 91355 (661) 295-5777

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

1 a 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 employees.'
- 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			
John F. MacArthur, Jr. President/Chairman	10.00	X		X				161,515.	0.	0.
Phillip Johnson Exec Dir/Secretary	40.00	X		X				180,784.	0.	24,146.
Kent Stainback Director	1.00	X						0.	0.	0.
Dave Parsons Director	1.00	X						0.	0.	0.
Robert Provost Director	1.00	X						0.	0.	0.
Joe Aleppo Vice Chairman	1.00	X		X				0.	0.	0.
Christopher Parkening Director	1.00	X						0.	0.	0.
Mark MacArthur Director	1.00	X						0.	0.	0.
Matthew MacArthur Treasurer	1.00	X		X				0.	0.	0.
Al Sanders Director	1.00	X						0.	0.	0.
Bill Molinari Director	1.00	X						0.	0.	0.
Tom Pennington Director	1.00	X						0.	0.	0.
Rufus Harvey Controller & CFO	40.00		X					135,488.	0.	20,809.
Don Green Managing Director	40.00			X				155,549.	0.	27,215.
Bill Fickett Dir of Cust Serv & Tech	40.00					X		138,956.	0.	25,983.
Jay Flowers Dir of Communications	40.00					X		148,177.	0.	26,435.
Miguel Contreras Director of GAV	40.00					X		125,180.	0.	20,206.

Part VIII Statement of Revenue

		(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 0.					
	b Membership dues	1b 0.					
	c Fundraising events	1c 0.					
	d Related organizations	1d 0.					
	e Government grants (contributions)	1e 0.					
	f All other contributions, gifts, grants, and similar amounts not included above	1f 13,858,900.					
	g Noncash contribns included in lns 1a-1f	\$ 294,837.					
	h Total. Add lines 1a-1f		13,858,900.				
PROGRAM SERVICE REVENUE			Business Code				
	2a Intn'l Offices Reimbursements	900099	125,488.	125,488.	0.	0.	
	b Direct Mail Reimbursements	900099	49,372.	49,372.	0.	0.	
	c Postage Reimbursements	900099	22,435.	22,435.	0.	0.	
	d Mail Library Memberships	900099	10,626.	10,626.	0.	0.	
	e Payroll Reimbursements	900099	2,509.	2,509.	0.	0.	
	f All other program service revenue						
g Total. Add lines 2a-2f		210,430.					
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		28,679.	0.	0.	28,679.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties		44,992.	0.	0.	44,992.	
	6a Gross Rents	(i) Real	16,944.				
		(ii) Personal					
		b Less rental expenses					
		c Rental income or (loss)	16,944.				
	d Net rental income or (loss)		16,944.	0.	0.	16,944.	
	7a Gross amount from sales of assets other than inventory	(i) Securities	255,630.				
		(ii) Other		0.			
		b Less cost or other basis and sales expenses	244,428.	17.			
		c Gain or (loss)	11,202.	-17.			
	d Net gain or (loss)		11,185.	0.	0.	11,185.	
	8a Gross income from fundraising events (not including \$ 0. 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							
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							
10a Gross sales of inventory, less returns and allowances	a	1,699,317.					
	b Less cost of goods sold	b	845,286.				
	c Net income or (loss) from sales of inventory		854,031.	854,031.	0.	0.	
Miscellaneous Revenue		Business Code					
11a Expense Reimbursements	900099	4,174.	4,174.	0.	0.		
b COBRA Admin Fee Revenue	900099	535.	535.	0.	0.		
c Rewards Points Redeemed	900099	1,764.	1,764.	0.	0.		
d All other revenue		1,505.	1,505.	0.	0.		
e Total. Add lines 11a-11d		7,978.					
12 Total revenue. See instructions		15,033,139.	1,072,439.	0.	101,800.		

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).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(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 U.S. See Part IV, line 21	129,107.	129,107.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	434,495.	434,495.		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	762,905.	334,360.	428,545.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B))	1,420,107.	1,338,414.	59,771.	21,922.
7 Other salaries and wages	1,656,589.	1,237,333.	368,752.	50,504.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	100,007.	76,063.	21,646.	2,298.
9 Other employee benefits	409,168.	328,466.	71,528.	9,174.
10 Payroll taxes	238,419.	176,675.	56,584.	5,160.
11 Fees for services (non-employees)				
a Management				
b Legal	32,495.	0.	32,495.	0.
c Accounting	43,610.	0.	43,610.	0.
d Lobbying				
e Prof fundraising svcs. See Part IV, ln 17				
f Investment management fees	8,440.	0.	8,440.	0.
g Other	186,296.	170,102.	11,836.	4,358.
12 Advertising and promotion	2,070.	2,070.	0.	0.
13 Office expenses	2,016,512.	1,462,182.	370,512.	183,818.
14 Information technology	249,266.	179,777.	64,801.	4,688.
15 Royalties	20,613.	17,535.	947.	2,131.
16 Occupancy	358,262.	308,106.	46,574.	3,582.
17 Travel	98,507.	73,456.	21,698.	3,353.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	13,476.	8,051.	5,294.	131.
20 Interest	78.	0.	78.	0.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	545,537.	473,935.	67,668.	3,934.
23 Insurance	19,239.	0.	19,239.	0.
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 <u>Radio & TV air time</u>	4,050,630.	4,011,344.	0.	39,286.
b <u>Radio & TV Production</u>	89,704.	89,057.	0.	647.
c <u>Ministry Communication & Promotion</u>	44,912.	40,797.	4,115.	0.
d <u>Materials Distributed</u>	740,765.	740,765.	0.	0.
e <u>Bad Debts</u>	827.	0.	827.	0.
f All other expenses	1,260.	0.	1,260.	0.
25 Total functional expenses. Add lines 1 through 24f	13,673,296.	11,632,090.	1,706,220.	334,986.
26 Joint costs. Check here <input checked="" 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	5,294,218.	4,986,340.	83,311.	224,567.

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
ASSETS	1	Cash – non-interest-bearing	256,498.	1	410,305.
	2	Savings and temporary cash investments	3,452,979.	2	4,447,379.
	3	Pledges and grants receivable, net	0.	3	0.
	4	Accounts receivable, net	49,638.	4	46,641.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	279.	5	83.
	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	1,032.	6	4,745.
	7	Notes and loans receivable, net	48,215.	7	600.
	8	Inventories for sale or use	817,171.	8	702,734.
	9	Prepaid expenses and deferred charges	220,249.	9	279,914.
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 8,976,393.		
	10b	Less accumulated depreciation	10b 3,222,831.	10c	5,753,562.
	11	Investments – publicly-traded securities	0.	11	0.
	12	Investments – other securities See Part IV, line 11	0.	12	0.
	13	Investments – program-related See Part IV, line 11	0.	13	0.
	14	Intangible assets	0.	14	0.
	15	Other assets See Part IV, line 11	219,848.	15	344,605.
16	Total assets Add lines 1 through 15 (must equal line 34)	10,873,625.	16	11,990,568.	
LIABILITIES	17	Accounts payable and accrued expenses	852,018.	17	748,787.
	18	Grants payable	0.	18	0.
	19	Deferred revenue	19,362.	19	69,912.
	20	Tax-exempt bond liabilities	0.	20	0.
	21	Escrow or custodial account liability Complete Part IV of Schedule D	0.	21	0.
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	0.	22	0.
	23	Secured mortgages and notes payable to unrelated third parties	2,095,163.	23	1,911,193.
	24	Unsecured notes and loans payable to unrelated third parties	0.	24	0.
	25	Other liabilities Complete Part X of Schedule D	39,707.	25	33,457.
	26	Total liabilities. Add lines 17 through 25	3,006,250.	26	2,763,349.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.				
	27	Unrestricted net assets	7,614,742.	27	9,028,834.
	28	Temporarily restricted net assets	252,633.	28	198,385.
	29	Permanently restricted net assets	0.	29	0.
	Organizations that do not follow SFAS 117, check here <input 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, and equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	7,867,375.	33	9,227,219.
	34	Total liabilities and net assets/fund balances	10,873,625.	34	11,990,568.

BAA

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	X	
3a		X
3b		

BAA

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 'unusual grants')	11,391,070.	12,602,772.	13,184,642.	13,024,515.	13,858,900.	64,061,899.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	0.	0.	0.	0.	0.	0.
3 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge	0.	0.	0.	0.	0.	0.
4 Total. Add lines 1-through 3	11,391,070.	12,602,772.	13,184,642.	13,024,515.	13,858,900.	64,061,899.
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)						
6 Public support. Subtract line 5 from line 4						64,061,899.

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	11,391,070.	12,602,772.	13,184,642.	13,024,515.	13,858,900.	64,061,899.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	18,938.	134,342.	149,323.	101,655.	90,615.	494,873.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0.	0.	0.	0.	0.	0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	20,187.	7,948.	14,673.	15,154.	7,978.	65,940.
11 Total support. Add lines 7 through 10						64,622,712.
12 Gross receipts from related activities, etc (see instructions)					12	12,317,041.
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	99.13%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	99.19%
16a 33-1/3 support test – 2009. If the organization did not check the box on line 13, and the 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 yr 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 'unusual grants')						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a 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, 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 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 yr 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 lns 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.

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 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 explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Provide any other additional information. See instructions.

Part II, Line 10 includes the following sources of revenue: -----

Reimbursements for volunteer lunches -----

Photocopying Reimbursements -----

Postage Reimbursements -----

Cobra Administrative Fee Revenue -----

Refunds from Class Action Settlements -----

Rewards Points Redeemed -----

Miscellaneous Revenue -----

Other Income Part II, Line 10 -----

Description: Misc Revenue -----

2005: 20187. -----

2006: 7948. -----

2007: 14673. -----

2008: 15154. -----

2009: 7978. -----

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization

Employer identification number

GRACE TO YOU

95-3846510

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 1-4: Total number at end of year, Aggregate contributions to (during year), Aggregate grants from (during year), Aggregate value at end of year.

- 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or for any other purpose conferring impermissible private benefit??

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply)
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

Table with 2 columns: Description, Held at the End of the Year. Rows 2a-2d: Total number of conservation easements, Total acreage restricted by conservation easements, Number of conservation easements on a certified historic structure included in (a), Number of conservation easements included in (c) acquired after 8/17/06.

- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year
4 Number of states where property subject to conservation easement is located
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easement it holds?
6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year
7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?
9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

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.

- 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items
b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

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 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

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

	Amount
1c	
1d	
1e	
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

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

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

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		1,309,249.		1,309,249.
b Buildings		4,417,963.	1,082,553.	3,335,410.
c Leasehold improvements		0.	0.	0.
d Equipment		3,249,181.	2,140,278.	1,108,903.
e Other		0.	0.	0.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				5,753,562.

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)		15,033,139.
2	Total expenses (Form 990, Part IX, column (A), line 25)		13,673,296.
3	Excess or (deficit) for the year Subtract line 2 from line 1		1,359,843.
4	Net unrealized gains (losses) on investments		
5	Donated services and use of facilities		
6	Investment expenses		
7	Prior period adjustments		
8	Other (Describe in Part XIV)		1.
9	Total adjustments (net) Add lines 4 through 8		1.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9		1,359,844.

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	15,878,442.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
	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	15,878,442.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
	a Investments expenses not included on Form 990, Part VIII, line 7b	4a	
	b Other (Describe in Part XIV)	4b	-845,303.
	c Add lines 4a and 4b	4c	-845,303.
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	15,033,139.

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

1	Total expenses and losses per audited financial statements	1	14,518,598.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
	a Donated services and use of facilities	2a	
	b Prior year adjustments	2b	
	c Other losses	2c	
	d Other (Describe in Part XIV)	2d	845,302.
	e Add lines 2a through 2d	2e	845,302.
3	Subtract line 2e from line 1	3	13,673,296.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
	a Investments 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	13,673,296.

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

Pt X Line 2 - On July 1, 2009, GTY adopted the new provision of the Income Tax Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). These provisions clarify the accounting for uncertainty in tax positions and prescribe guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return.

Part XIV Supplemental Information (continued)

Pt X line 2 - The tax benefit from a tax position is only recognized in the statement of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties would be included in expenses in the statement of activities.

As of June 30, 2010, GTY had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

Pt XI Line 8 Rounding difference \$1

Pt XII Line 4b <\$17> for loss on asset disposal included in Expenses in the audited financial statements.

Pt XII Line 4b <\$845,286> for Cost of Goods Sold included in Expenses in the audited financial statements.

Pt XIII Line 2d \$17 for loss on asset disposal included in Expenses in the audited financial statements.

Pt XIII Line 2d \$845,286 for Cost of Goods Sold included in Expenses in the audited financial statements.

Pt XIII Line 2d <\$1> rounding difference.

**Schedule F
(Form 990)**

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 14b, 15, or 16.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545 0047

2009

**Open to Public
Inspection**

Name of the organization

GRACE TO YOU

Employer identification number

95-3846510

Part I General Information on Activities Outside the United States. Complete if the organization answered 'Yes' to Form 990, Part IV, line 14b.

- 1 **For grantmakers.** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 **For grantmakers.** Describe in Part IV the organization's procedures for monitoring the use of grant funds outside the United States
- 3 **Activities per Region** (Use Schedule F-1 (Form 990) if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures in region
East Asia and Pacific	0	0	Grantmaking		29,540.
East Asia and Pacific	0	0	Program Services	Radio, Materials Distri	44,449.
Europe	0	1	Board Meeting		2,038.
Europe	0	1	Grantmaking		143,302.
Europe	0	1	Program Services	Radio, TV, Materials Di	205,112.
Middle East	0	0	Grantmaking		105,445.
Middle East	0	0	Program Services	Materials Distribution	8,330.
North America	0	1	Board Meeting		1,842.
North America	0	1	Conferences		5,759.
North America	0	1	Grantmaking		124,197.
North America	0	1	Program Services	Radio, Materials Distri	197,795.
Russia	0	0	Grantmaking		14,975.
South America	0	1	Conferences		13,190.
South America	0	1	Program Services	Radio	37,490.
South Asia	0	0	Grantmaking		18,438.
South Asia	0	0	Program Services	Materials Distribution	12,452.
Sub-Saharan Africa	0	0	Program Services	Materials Distribution	1,282.
Totals	0	9			965,636.

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule F (Form 990) (2009)

Part IV Supplemental Information

Complete this part to provide the information required in Part I, line 2, and any additional information

Pt I Line 2 Various methods of monitoring are used. For some
 entities, monthly financial statements and annual
 audited financial statements are required. For other
 entities, an accounting of progress with the project
 substantiates the use of funds for the intended purpose.
 For other entities, the production of the finished
 product within the approved budget demonstrates the use
 of the funds for the intended purpose.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

GRACE TO YOU

Employer identification number

95-3846510

Part I Questions Regarding Compensation

	Yes	No								
<p>1 a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input checked="" type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input checked="" type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>	<input checked="" type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input checked="" type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<input checked="" type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use									
<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence									
<input checked="" type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)									
<p>b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If 'No,' complete Part III to explain</p>	1 b	X								
<p>2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?</p>	2	X								
<p>3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply</p> <table border="0"> <tr> <td><input type="checkbox"/> Compensation committee</td> <td><input type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input checked="" type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract	<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee				
<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract									
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study									
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee									
<p>4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization</p>										
<p>a Receive a severance payment or change-of-control payment?</p>	4 a	X								
<p>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p>	4 b	X								
<p>c Participate in, or receive payment from, an equity-based compensation arrangement?</p> <p>If 'Yes' to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</p>	4 c	X								
<p>Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.</p>										
<p>5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of</p>										
<p>a The organization?</p>	5 a	X								
<p>b Any related organization?</p> <p>If 'Yes' to line 5a or 5b, describe in Part III</p>	5 b	X								
<p>6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of</p>										
<p>a The organization?</p>	6 a	X								
<p>b Any related organization?</p> <p>If 'Yes' to line 6a or 6b, describe in Part III</p>	6 b	X								
<p>7 For person listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If 'Yes,' describe in Part III</p>	7	X								
<p>8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If 'Yes,' describe in Part III</p>	8	X								
<p>9 If 'Yes' to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</p>	9									

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2009

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information

Pt I Line 1b There was no formal written policy on any item checked in 1a. First or business class travel for the President was determined by management to be necessary to reduce the risk of a potentially deadly medical condition from recurring. With respect to travel for family members, proper hiring practices are followed and proper substantiation of all expenses incurred is required in accordance with the organization's accountable reimbursement policy. With respect to gross-ups, all individual compensation changes (which includes gross-ups) are approved by the appropriate level of management.

Pt I Line 7 The Board of Directors and the management of the organization award bonuses from time to time. The amounts of such bonuses are approved by executives or directors of the organization in such a way to avoid conflicts of interest.

Part I, Line 1a First-class travel: The organization only pays for the President to fly first-class, due to medical necessity.

Part I, Line 1a Travel for companions: The organization only pays for family members of employees to travel if there is a bona fide service to

See Schedule J - Part III - Supplemental Information (Continuation Sheet)

BAA

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered
'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization

GRACE TO YOU

Employer identification number

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Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).
Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 26 or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
	Miguel Contreras Personal Expenses				X	11.	11.		X	
Miguel Contreras Personal Expenses		X	72.	72.		X		X		X
The Welch Group Services and Rent		X	1,666.	1,666.		X		X		X
The Welch Group Goods		X	2,886.	2,886.		X		X		X
The Spurgeon Archive Shipping		X	193.	193.		X		X		X
Total				▶ \$ 4,828.						

Part III Grants or Assistance Benefitting Interested Persons.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance

Part IV Business Transactions Involving Interested Persons.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction \$	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
The Welch Group	>35% Entity	667,000.	Contract services		X
Jeremiah Johnson	related party	44,302.	Employment (W-2)		X

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule L (Form 990 or 990-EZ) 2009

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶ **Complete if the organizations answered 'Yes'**
on Form 990, Part IV, lines 29 or 30.
▶ **Attach to Form 990.**

OMB No 1545-0047

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**Open To Public
Inspection**

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Part I Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications	X		1,939.	Cost
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	8	240,926.	FMV
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution— Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles	X	1	51,870.	Appraisal
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (CDs _____)	X	2	102.	Cost
26 Other ▶ (_____)				
27 Other ▶ (_____)				
28 Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

29 0.

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

	Yes	No
30a		X
31	X	
32a		X
33		

b If 'Yes,' describe the arrangement in Part II

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If 'Yes,' describe in Part II

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Part, Lines 9, 18, 25 Column b All numbers are numbers of separate donations, not quantities of items.

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

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**Open to Public
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Pt VI-A, Line 2 Board President, John MacArthur, is related to Board
Treasurer Matt MacArthur (son), and Board member, Mark
MacArthur (son).

Pt VI-B, Line 11A The final Form 990 is distributed to all members of the
Board, as well as members of the Audit Committee by
email. All members of the Audit Committee and select
members of the Board review the Form 990 and all
Schedules prior to filing the form. Also, prior to the
filing of the form, it is reviewed by the CFO, the
Managing Director, and the independent auditors.

Pt VI-B, Line 12c The organization's management constantly monitors for any
conflicts of interest that may arise in the normal
course of business. Additionally, the Audit Committee
actively monitors and responds to the annual
questionnaires provided by members of the Board and key
employees. The organization's outside auditors perform,
as part of their annual examination, an evaluation of
any transactions that have the potential to become a
conflict of interest. Any potential conflicts are
brought to the attention of the management to be
appropriately addressed.

Pt VI-B, Line 15 The organization engages an independent compensation
study periodically to guide the independent members of
the Board of Directors in their determination of
executive compensation. The Board uses the study to
guide their setting of compensation and their

Name of the organization

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deliberations and decisions are documentd in the Board minutes. The study covers all officers, key employees, and highest compensated employees. No parties with a conflict of interest are part of any compensation decision.

Pt VI-C, Line 19 The organization makes it's governing documents, conflict of interest policy, and financial statements available to the public upon request. The most recent audited financial statement is also available on the orgainzation's website.

Part III, Line 4d Other program services: Grace to You television which is broadcast in select cable markets, on satellite, and via the internet.

Part VI, Line 1b In reporting the number of independent Board members as 8, both here and in Part I, Line 4, we have excluded two Board members whom the organization treats operationally as non-independent. Matthew MacArthur and Mark MacArthur, as disclosed elsewhere on Schedule O, are sons of Board President, John MacArthur. As such, they do not participate in any routine activities of the Board which require disinterested directors.

Operational conflicts of interest are carefully avoided in the conduct of their Board membership.

Additionally, Mark and Matt are brothers-in-law to Kory Welch, 100% owner of The Welch Group, as reported on Schedule L, Part II.

Schedule O (Form 990), Supplemental Information to Form 990

Form 990, Page 2, Part III, Line 1 (continued)

Briefly describe the organization's mission:

Schedule O (Form 990), Supplemental Information to Form 990

Form 990, Page 2, Part III, Line 4d (continued)

4d Describe the exempt purpose achievements for each of the organization's other program services. Section 501(c)(3) and (4) organizations and 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.

Code	Description.	Other program services.
Expenses	938,632.	Grace to You television program which is
Grants Of	0.	broadcast in select cable markets, on satellite,
Revenue	2,509.	and via the internet.

Form 990, Page 6, Line 17

States Form 990 Filed In

- California _____
- Connecticut _____
- Maryland _____
- Minnesota _____
- Mississippi _____
- North Carolina _____
- Tennessee _____
- Virginia _____
- Wisconsin _____
- West Virginia _____

Schedule J - Part III Supplemental Information (continued)

Schedule J - Part III - Supplemental Information (Continuation Sheet)

Line Number	Explanation
	the organization that the family member will perform during the trip. During the year, only 1 person was employed to travel with their spouse.
part 1, Line 1a	Gross-up payments: The organization has the policy of grossing up all bonuses and similar compensation for all employees. The additional compensation resulting from this calculation is also reported as taxable wages to the recipients.

Supporting Statement of:

Form 990 p 9/Noncash

Description	Amount
Stock	240,926.
Misc Non-cash	2,041.
Collectibles	51,870.
Total	<u>294,837.</u>
