Form **990-PF** | Department of the Treasury Internal Revenue Service

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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning 10/01 **, 2009, and ending** 09/30, 2010

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

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

Name of foundation: THE WORTHAM FOUNDATION, INC.

A Employer identification number: 74-1334356

Number and street (or P O box number if mail is not delivered to street address): 2727 ALLEN PARKWAY #1570 | Room/suite

B Telephone number (see page 10 of the instructions): (713) 526-8849

City or town, state, and ZIP code: HOUSTON, TX 77019-2125

C If exemption application is pending, check here ▶ [ ]

D 1. Foreign organizations, check here ▶ [ ]

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

H Check type of organization [X] Section 501(c)(3) exempt private foundation
[ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 206,697,633.

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

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))*

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ▶ [ ] if the foundation is **not** required to attach Sch B				
	3 Interest on savings and temporary cash investments	1,816.	1,816.		ATCH 1
	4 Dividends and interest from securities	4,404,467.	4,404,467.		ATCH 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	472,727.			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		472,727.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	68,119.	68,119.		ATCH 3
	12 **Total.** Add lines 1 through 11	4,947,129.	4,947,129.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	111,946.	44,778.		67,468.
	14 Other employee salaries and wages	247,227.	152,864.		94,363.
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) ATCH 4	500.	500.	0.	0.
	b Accounting fees (attach schedule) ATCH 5	22,000.	22,000.	0.	0.
	c Other professional fees (attach schedule) *	562,444.	562,444.		
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) **	59,585.	13,781.		4,010.
	19 Depreciation (attach schedule) and depletion	4,375.			
	20 Occupancy	82,983.	62,237.		20,746.
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 8	89,040.	36,017.		53,023.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	1,180,100.	894,621.	0.	239,610.
	25 Contributions, gifts, grants paid	9,455,000.			9,455,000.
	26 **Total expenses and disbursements** Add lines 24 and 25	10,635,100.	894,621.	0.	9,694,610.
	27 Subtract line 26 from line 12				
	a **Excess of revenue over expenses and disbursements**	-5,687,971.			
	b **Net investment income** (if negative, enter -0-)		4,052,508.		
	c **Adjusted net income** (if negative, enter -0-)			-0-	

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	1,467,165.	3,990,563.	3,990,563.
	3	Accounts receivable ▶ 22,778. Less allowance for doubtful accounts ▶	24,738.	22,778.	22,778.
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges ATCH 9	188,849.	147,837.	147,837.
	10 a	Investments - U S and state government obligations (attach schedule) **	27,577,738.	29,399,165.	33,405,875.
	b	Investments - corporate stock (attach schedule) ATCH 11	138,603,942.	135,243,695.	133,502,600.
	c	Investments - corporate bonds (attach schedule) ATCH 12	41,235,437.	34,610,236.	35,612,320.
	11	Investments - land, buildings, and equipment basis ▶ 225,349. Less accumulated depreciation (attach schedule) ▶ 225,349.			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ 24,411. Less accumulated depreciation (attach schedule) ▶ 8,751.	20,036.	15,660.	15,660.
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	209,117,905.	203,429,934.	206,697,633.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)			
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☒			
	27	Capital stock, trust principal, or current funds	215,207,311.	209,117,905.	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	-6,089,406.	-5,687,971.	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	209,117,905.	203,429,934.	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	209,117,905.	203,429,934.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	209,117,905.
2	Enter amount from Part I, line 27a	2	-5,687,971.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	203,429,934.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	203,429,934.

**ATCH 10

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Part IV Capital Gains and Losses for Tax on Investment Income

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

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

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

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

2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	472,727.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3	

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2008	8,669,138.	175,097,689.	0.049510
2007	10,388,210.	234,617,503.	0.044277
2006	12,156,504.	243,065,486.	0.050013
2005	10,246,052.	224,313,886.	0.045677
2004	10,961,032.	214,612,263.	0.051074

2	**Total** of line 1, column (d)	2	0.240551
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.048110
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	198,396,936.
5	Multiply line 4 by line 3	5	9,544,877.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	40,525.
7	Add lines 5 and 6	7	9,585,402.
8	Enter qualifying distributions from Part XII, line 4	8	9,694,610.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ [ ] and enter "N/A" on line 1. Date of ruling or determination letter ____________ (attach copy of ruling letter if necessary - see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b		1	40,525.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3	Add lines 1 and 2		3	40,525.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-		5	40,525.
6	Credits/Payments			
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a: 188,638.		
b	Exempt foreign organizations-tax withheld at source	6b: 0.		
c	Tax paid with application for extension of time to file (Form 8868)	6c: 0.		
d	Backup withholding erroneously withheld	6d:		
7	Total credits and payments. Add lines 6a through 6d		7	188,638.
8	Enter any **penalty** for underpayment of estimated tax. Check here [X] if Form 2220 is attached		8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	148,113.
11	Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶ 148,113. **Refunded** ▶		11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		X
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ TX,			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *(continued)*

		Line	Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ NONE

14 The books are in care of ▶ BARBARA J. SNYDER Telephone no ▶ 713-526-8849

Located at ▶ 2727 ALLEN PKWY #1570 HOUSTON, TX ZIP + 4 ▶ 77019-2125

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

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

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

			Line	Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?		1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐				
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?		1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	☐ Yes ☒ No			
	If "Yes," list the years ▶				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see page 20 of the instructions)		2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2009 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)*		3b	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?		4b		X

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

5a During the year did the foundation pay or incur any amount to
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b** N/A
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No
If "Yes," attach the statement required by Regulations section 53 4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: X
If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** N/A

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 13		111,946.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 14		247,227.	0.	0.

Total number of other employees paid over $50,000 ▶ NONE

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
ATTACHMENT 15		535,944.

Total number of others receiving over $50,000 for professional services ▶ NONE

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 SEE STATEMENT 20	23,554.
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions 3 NONE	
Total. Add lines 1 through 3 ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	197,482,179.
b	Average of monthly cash balances	1b	3,749,755.
c	Fair market value of all other assets (see page 24 of the instructions)	1c	186,275.
d	**Total** (add lines 1a, b, and c)	1d	201,418,209.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	201,418,209.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	3,021,273.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	198,396,936.
6	**Minimum investment return.** Enter 5% of line 5	6	9,919,847.

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part)

1	Minimum investment return from Part X, line 6			1	9,919,847.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	40,525.		
b	Income tax for 2009 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	40,525.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	9,879,322.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	9,879,322.
6	Deduction from distributable amount (see page 25 of the instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	9,879,322.

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	9,694,610.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	0.
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	9,694,610.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	40,525.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	9,654,085.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

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Part XIII **Undistributed Income** (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				9,879,322.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years 20 07 ,20 06 ,20 05		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004 . . . 236,578.				
b From 2005 . . . 0.				
c From 2006 . . . 353,366.				
d From 2007				
e From 2008				
f **Total** of lines 3a through e	589,944.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 9,694,610.				
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2009 distributable amount				9,694,610.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	184,712.			184,712.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	405,232.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions		0.		
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	51,866.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	353,366.			
10 Analysis of line 9				
a Excess from 2005 . . . 0.				
b Excess from 2006 . . . 353,366.				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

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Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling . . . . ▶

b Check box to indicate whether the foundation is a private operating foundation described in section [ ] 4942(j)(3) or [ ] 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test-enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year - see page 28 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ [ ] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

ATTACHMENT 16

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

SEE STATEMENT 17A

c Any submission deadlines

SEE STATEMENT 17A

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

SEE STATEMENT 17A

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
ATTACHMENT 17				
Total . . . . . ▶ **3a**				9,455,000.
b *Approved for future payment*				
ATTACHMENT 18				
Total . . . . . ▶ **3b**				3,045,000.

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Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See page 28 of the instructions)
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	1,816.	
4 Dividends and interest from securities			14	4,404,467.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			15	38,517.	
8 Gain or (loss) from sales of assets other than inventory			18	472,727.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b ATTACHMENT 19				29,602.	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				4,947,129.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 4,947,129.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)
	NOT APPLICABLE

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
	N/A		N/A

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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

R. W. Wortham III — 8-15-11 — Trustee

Signature of officer or trustee — Date — Title

Paid Preparer's Use Only

Preparer's signature: Deidre A. Scinta	Date 8/15/11	Check if self-employed ☒	Preparer's identifying number (See Signature on page 30 of the instructions) P00524632
Firm's name (or yours if self-employed), address, and ZIP code	DEIDRE A SCINTA CPA 2727 ALLEN PARKWAY, STE 1580 HOUSTON, TX 77019-2125		EIN ▶ P00524632 Phone no

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
TOTAL GAIN(LOSS)							472,727.	

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 09/30/2010 SCHEDULE D-1
FORM 990PF SUPPORTING SCHEDULE - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Description	# Shares Face Amt	Date of Purchase	Date of Sale	Proceeds From Sale	Cost of Shares Sold	Gain/Loss
JSTN-3 125%-10/31/16	750,000 00	12/22/2009	03/24/2010	749,472 66	746,777 34	2,695 32
ACE INA HLDGS-8 875%-8/15/29	475,000 00	04/29/2003	02/01/2010	633,721 25	569,121 61	64,599 64
AOL TIME WARNER	CLASS ACTION SETTLEMENT	12/06/2000	01/29/2010	1,158 01		1,158 01
BERKSHIRE HATHAWAY-4 75%-5/15/12	500,000 00	08/03/2006	12/21/2009	536,060 00	514,860 00	21,200 00
CAPITAL ONE-5 7%-9/15/11	$1 325M	03/06/2007	12/21/2009	1,397,292 00	1,349,089 00	48,203 00
CHUBB CORP-5 75%-5/15/18	550,000 00	10/16/2009	02/03/2010	594,192 50	597,019 50	(2,827 00)
COCA COLA ENTERPRISES-6 95%-11/15/26	425,000 00	09/21/2009	12/21/2009	490,717 75	513,485 00	(22,767 25)
DEVON FING CORP-6 875%-9/30/11	550,000 00	06/25/2009	12/21/2009	600,138 00	596,237 12	3,900 88
FHLMC-5 55%-10/04/16	$1 465M	01/25/2007	12/21/2009	1,563,887 50	1,462,781 34	101,106 16
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	10/15/2009	2,065 69	2,051 31	14 38
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	11/16/2009	1,803 02	1,790 47	12 55
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	12/15/2009	1,872 01	1,858 98	13 03
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	01/15/2010	1,601 57	1,590 43	11 14
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	02/16/2010	1,741 80	1,729 68	12 12
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	03/15/2010	1,648 60	1,637 13	11 47
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	04/15/2010	1,724 07	1,712 08	11 99
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	05/17/2010	1,480 10	1,469 81	10 29
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	06/15/2010	1,422 24	1,412 35	9 89
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	07/15/2010	1,262 28	1,253 51	8 77
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	08/16/2010	1,237 69	1 229 09	8 60
FHLMC POOL-6%-3/01/11	Redemption	02/29/96	09/15/2010	965 18	958 48	6 70
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	10/15/2009	3,953 28	4,127 95	(174 67)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	11/16/2009	5,147 59	5,375 06	(227 47)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	12/15/2009	5,360 24	5,597 11	(236 87)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	01/15/2010	6,739 18	7,037 01	(297 83)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	02/16/2010	5,322 06	5,557 28	(235 22)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	03/15/2010	5,772 97	6,028 13	(255 16)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	04/15/2010	5,487 03	5,729 57	(242 54)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	05/17/2010	7,054 12	7,365 96	(311 84)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	06/15/2010	1,967 43	2,054 41	(86 98)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	07/15/2010	4,373 94	4,567 32	(193 38)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	08/16/2010	3,225 22	3,367 81	(142 59)
FHLMC POOL-6%-7/1/17	Redemption	07/21/2003	09/15/2010	6,432 32	6,716 73	(284 41)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	10/15/2009	451 65	454 26	(2 61)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	11/16/2009	1,520 80	1,529 59	(8 79)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	12/15/2009	1,729 44	1,739 44	(10 00)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	01/15/2010	1,217 62	1 224 66	(7 04)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	02/16/2010	585 12	588 50	(3 38)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	03/15/2010	1 868 35	1,879 16	(10 81)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	04/15/2010	405 07	407 41	(2 34)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	05/17/2010	1,367 45	1,375 36	(7 91)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	06/15/2010	363 50	365 60	(2 10)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	07/15/2010	1,463 49	1,471 95	(8 46)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	08/16/2010	347 14	349 14	(2 00)
FHLMC POOL-6 5%-1/01/16	Redemption	01/17/2001	09/15/2010	360 36	362 44	(2 08)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	10/15/2009	2,342 33	2,395 77	(53 44)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	11/16/2009	2,860 11	2,925 36	(65 25)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	12/15/2009	2,139 72	2,188 53	(48 81)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	01/15/2010	2,378 50	2,432 76	(54 26)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	02/16/2010	2 202 28	2,252 52	(50 24)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	03/15/2010	2,228 87	2,279 72	(50 85)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	04/15/2010	2,132 68	2,181 34	(48 66)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	05/17/2010	2,334 61	2,387 88	(53 27)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	06/15/2010	1,810 98	1,852 30	(41 32)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	07/15/2010	1,772 79	1,813 24	(40 45)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	08/16/2010	1,613 10	1,649 90	(36 80)
FHLMC POOL-6 5%-11/1/11	Redemption	04/27/2001	09/15/2010	1,633 77	1,671 05	(37 28)
FNMA-5 25%-3/05/14	860,000 00	03/14/2007	03/05/2010	860,000 00	856,829 27	3,170 73
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	10/26/2009	165 08	168 78	(3 70)
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	11/25/2009	16,140 85	16,503 27	(362 42)
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	12/28/2009	136 55	139 61	(3 06)

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 09/30/2010 SCHEDULE D-2
FORM 990PF SUPPORTING SCHEDULE - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Description	# Shares Face Amt	Date of Purchase	Date of Sale	Proceeds From Sale	Cost of Shares Sold	Gain/Loss
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	01/25/2010	7,152 98	7,313 74	(160.76)
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	02/25/2010	126 90	129 75	(2.85)
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	03/25/2010	158 80	162 37	(3 57)
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	04/26/2010	128 58	131 47	(2.89)
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	05/25/2010	132 33	135 30	(2 97)
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	06/25/2010	900 53	920 78	(20 25)
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	07/26/2010	138 68	141 79	(3 11)
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	08/25/2010	139 50	142 63	(3 13)
FNMA - 6 5% - 10/1/31	Redemption	10/30/2001	09/27/2010	174 38	178 30	(3 92)
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	10/26/2009	8,728 49	8,530 73	197.76
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	11/25/2009	10,209 31	9,978 00	231 31
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	12/28/2009	12,921 26	12,628 51	292 75
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	01/25/2010	19,634 85	19,190 00	444.85
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	02/25/2010	8,695 53	8,498 52	197 01
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	03/25/2010	7,502 09	7,332 12	169 97
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	04/26/2010	10,932 54	10,684 85	247.69
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	05/25/2010	15,198 09	14,853 76	344 33
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	06/25/2010	11,969 88	11,698 69	271 19
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	07/26/2010	14,765 94	14,431 40	334 54
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	08/25/2010	9,375 30	9,162 89	212 41
FNMA POOL-5%-6/01/22	Redemption	08/21/2007	09/27/2010	13,653 37	13,344 04	309 33
FNMA POOL-5 5%-6/1/19	Redemption	07/20/2004	10/26/2009	14,049 38	14,468 66	(419 28)
FNMA POOL-5 5%-6/1/19	Redemption	07/20/2004	11/25/2009	13,954 85	14,371 31	(416 46)
FNMA POOL-5 5%-6/1/19	Redemption	07/20/2004	12/28/2009	31,016 69	31,942 34	(925 65)
FNMA POOL-5 5%-6/1/19	1,640,638 571 UNITS	07/20/2004	01/06/2010	1,753,432 47	1,690,630 05	62,802 42
FNMA POOL-5 5%-6/1/19	Redemption	07/20/2004	01/25/2010	34,464 02	34,464 02	
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	10/26/2009	3,270 03	3,239 88	30 15
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	11/25/2009	4,194 33	4,155 66	38 67
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	12/28/2009	33,849 07	33,537 02	312 05
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	01/25/2010	68,845 28	68,210 62	634 66
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	02/25/2010	102,208.08	101,265 86	942 22
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	03/25/2010	36,946 91	36,606 31	340 60
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	04/26/2010	24,872.42	24,643 13	229 29
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	05/25/2010	18,849 54	18,675 77	173 77
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	06/25/2010	138,085 76	136,812 81	1,272 95
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	07/26/2010	5,281 03	5,232 34	48 69
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	08/25/2010	1,220 30	1,209 05	11 25
FNMA POOL-5 5%-8/1/37	Redemption	10/24/2007	09/27/2010	1,476 96	1,463 34	13 62
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	10/26/2009	5,410 03	5,547 82	(137 79)
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	11/25/2009	6,496 22	6,661.67	(165 45)
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	12/28/2009	12,040.33	12,346 99	(306 66)
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	01/25/2010	2,031 14	2,082 87	(51.73)
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	02/25/2010	2,054 61	2,106 94	(52 33)
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	03/25/2010	1,904 94	1,953 45	(48 51)
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	04/26/2010	1,983 01	2,033 51	(50 50)
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	05/25/2010	10,926 11	11,204 39	(278 28)
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	06/25/2010	1,942 91	1,992 39	(49 48)
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	07/26/2010	5,049 46	5,178 06	(128 60)
FNMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	08/25/2010	2,376 59	2,437 12	(60 53)
NMA POOL - 5 5% - 9/1/17	Redemption	09/19/2002	09/27/2010	1,816 36	1,862 62	(46 26)
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	10/26/2009	4,996 00	4,722.00	274 00
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	11/25/2009	5,186 13	4,901.70	284 43
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	12/28/2009	5,031 63	4,755.68	275 95
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	01/25/2010	5,698 25	5,385 74	312 51
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	02/25/2010	5,289.00	4,998 93	290 07
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	03/25/2010	4,794 00	4,531 08	262 92
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	04/26/2010	5,563 88	5,258 73	305 15
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	05/25/2010	4,910 50	4,641 19	269 31
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	06/25/2010	4,874 25	4,606 93	267 32
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	07/26/2010	4,329 31	4,091 87	237 44
NMA POOL - 6% - 9/1/13	Redemption	02/05/99	08/25/2010	4,262 50	4,028 73	233 77

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 09/30/2010 SCHEDULE D-3
FORM 990PF SUPPORTING SCHEDULE - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Description	# Shares Face Amt	Date of Purchase	Date of Sale	Proceeds From Sale	Cost of Shares Sold	Gain/Loss
FNMA POOL - 6% - 9/1/13	Redemption	02/05/99	09/27/2010	4,693 88	4,436 45	257 43
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	10/26/2009	4,243 03	4,382 25	(139 22)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	11/25/2009	3,275 26	3,382 73	(107 47)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	12/28/2009	4,723 02	4,877 99	(154 97)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	01/25/2010	4,104 59	4,239 27	(134 68)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	02/25/2010	2 165 37	2,236 42	(71 05)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	03/25/2010	2,751 78	2,842 07	(90 29)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	04/26/2010	5,259 34	5,431 91	(172 57)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	05/25/2010	4,810 51	4,968 35	(157 84)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	06/25/2010	3,068 31	3,168 99	(100 68)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	07/26/2010	2,973 19	3,070 75	(97 56)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	08/25/2010	2,468 36	2,549 35	(80 99)
FNMA POOL - 6 5% - 11/1/16	Redemption	01/17/2002	09/27/2010	3,016 36	3,115 33	(98 97)
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	10/26/2009	667 05	663 61	3 44
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	11/25/2009	671 32	667 86	3 46
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	12/28/2009	1,664 57	1,655 99	8 58
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	01/25/2010	571 48	568 53	2 95
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	02/25/2010	549 85	547 01	2 84
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	03/25/2010	531 11	528 37	2 74
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	04/26/2010	534 50	531 74	2 76
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	05/25/2010	537 95	535 17	2 78
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	06/25/2010	541 40	538 61	2 79
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	07/26/2010	544 88	542 07	2 81
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	08/25/2010	548 36	545 53	2 83
FNMA POOL - 7% - 7/1/11	Redemption	08/31/96	09/27/2010	551 90	549 05	2 85
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	10/26/2009	87,944 63	87,724 76	219 87
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	11/25/2009	93,783 26	93,548 80	234 46
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	12/28/2009	119,797 10	119,497 60	299 50
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	01/25/2010	113,437 37	113,153 77	283 60
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	02/25/2010	130,916 79	130,589 49	327 30
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	03/25/2010	95,293 81	95,055 57	238 24
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	04/26/2010	140,877 74	140,525 54	352 20
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	05/25/2010	125,692 78	125,378 55	314 23
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	06/25/2010	114,064 85	113,779 69	285 16
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	07/26/2010	95,135 04	94,897 20	237 84
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	08/25/2010	118,721 18	118 424 38	296 80
FNMA POOL-5%-4/01/23	Redemption	11/13/2008	09/27/2010	116,838 50	116,546 40	292 10
GEN ELEC CO-5 25%-12/06/17	$1 25M	04/14/2009	12/21/2009	1,291,037 50	1,191 215 00	99,822 50
GROWTH PORTFOLIO	64,655 172 UNITS	08/08/2008	12/02/2009	750,000 00	793,512 93	(43,512 93)
GROWTH PORTFOLIO	172,860 847 UNITS	08/08/2008	12/18/2009	2,000,000 00	2,121,521 17	(121,521 17)
GROWTH PORTFOLIO	171,232 877 UNITS	08/08/2008	12/21/2009	2,000,000 00	2,101,541 10	(101,541 10)
GROWTH PORTFOLIO	161,290 323 UNITS	08/08/2008	04/13/2010	2,000,000 00	1,979,516 12	20,483 88
HIGH YIELD BD PORTFOLIO	159,651 669 UNITS	04/10/2001	12/18/2009	1,100,000 00	1,374,600 87	(274,600 87)
HIGH YIELD BD PORTFOLIO	159 420 29 UNITS	04/10/2001	12/21/2009	1,100,000 00	1,372,608 70	(272,608 70)
HIGH YIELD BD PORTFOLIO	32,951 289 UNITS	04/10/2001	04/13/2010	230,000 00	280,531 87	(50,531 87)
HIGH YIELD BD PORTFOLIO	59,171 598 UNITS	04/10/2001	05/27/2010	400,000 00	496,226 58	(96,226 58)
HIGH YIELD BD PORTFOLIO	728,192 561 UNITS	04/10/2001	08/12/2010	5,082,784 08	4,588,477 76	494,306 32
NTL EQUITY PORTFOLIO	3,524,094 73 UNITS	12/08/2000	11/20/2009	33,954,652 72	33,671,111 20	283,541 52
NTL EQUITY PORTFOLIO	8,054 77 UNITS-REDEMPTION	12/08/2000	11/25/2009	80,144 96	80,144 96	
NTL EQUITY PORTFOLIO	262,257 697 UNITS	12/08/2000	08/12/2010	2,399 657 93	2,300,000 00	99,657 93
NTL EQUITY PORTFOLIO	336 116 91 UNITS	12/08/2000	09/13/2010	3,220,000 00	3,238,486 31	(18,486 31)
McKESSON HBOC, INC	CLASS ACTION SETTLEMENT	03/26/99	10/30/2009	14,151 07		14,151 07
MOLEX	CLASS ACTION SETTLEMENT	11/15/2004	04/30/2010	19 14		19 14
NORTEL NETWORKS CORP	CLASS ACTION SETTLEMENT	12/06/2000	03/31/2010	127 34		127 34
OLD DOMINION ELEC-6 25%-6/01/11	$1 775M	07/28/2005	03/09/2010	1,876,192 75	1,832,020 55	44,172 20
PRIVATE EQUITY IV	PARTNERSHIP STCG	01/29/2009	12/31/2009	4,987 00		4,987 00
PRIVATE EQUITY IV	PARTNERSHIP LTCG	01/29/2004	12/31/2009	52,768 00		52,768 00
SMALL CAP PORTFOLIO	537 109 375 UNITS	04/04/2001	12/02/2009	5,500,000 00	7,043,652 34	(1,543,652 34)
SMALL CAP PORTFOLIO	47,664 442 UNITS	04/04/2001	12/18/2009	500,000 00	625,071 49	(125,071 49)
SMALL CAP PORTFOLIO	47 125 353 UNITS	04/04/2001	12/21/2009	500,000 00	618,001 88	(118,001 88)
SMALL CAP PORTFOLIO	41,841 004 UNITS	04/04/2001	04/13/2010	500,000 00	548,702 61	(48,702 61)

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 09/30/2010 SCHEDULE D-4
FORM 990PF SUPPORTING SCHEDULE - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Description	# Shares Face Amt	Date of Purchase	Date of Sale	Proceeds From Sale	Cost of Shares Sold	Gain/Loss
SMALL CAP PORTFOLIO	113,636 198 UNITS	04/04/2001	08/12/2010	1,188,634 63	1,000,000 00	188,634 63
SSGA FDS EMERGING MKTS FD	379,163 636 UNITS	04/04/2001	12/10/2009	7,143,442 90	5,426,673 40	1,716,769 50
SSGA FDS EMERGING MKTS FD	516,888 288 UNITS	04/04/2001	08/12/2010	9,893,241 83	9,643,442 90	249,798 93
SSGA FDS EMERGING MKTS FD	61 606 70	04/04/2001	09/13/2010	1,250,000 00	1,153,753 27	96,246 73
TIPS	292,682 927 UNITS	09/22/2009	05/27/2010	3,000,000 00	2,921,814 47	78,185 53
UNION PAC RES-7 95%-4/15/29	$1 55M	12/06/2002	06/21/2010	1,379,500 00	1,861,142 59	(481,642 59)
USTN-1%-3/31/12	300,000 00	03/24/2010	09/15/2010	302,789 06	299,460 94	3,328 12
USTN-1 125%-1/15/12	$2 55M	01/14/2009	12/21/2009	2,561,156 25	2,558,894 72	2,261 53
USTN-1 375%-3/15/13	500,000 00	03/10/2010	07/21/2010	507,578 13	498,750 00	8,828 13
USTN-1 5%-7/15/12	500,000 00	07/08/2009	10/19/2009	502,187 50	500,859 38	1,328 12
USTN-1 5%-7/15/12	$2 43M	07/08/2009	12/21/2009	2,452,211 72	2,416,673 82	35,537 90
USTN-1 5%-7/15/12	$1 8M	07/08/2009	03/10/2010	1,817,296 87	1,815,750 00	1,546 87
USTN-3 625%-2/15/20	$1 195M	03/24/2010	07/14/2010	1,251,995 90	1,173,904 30	78,091 60
USX-MARATHON-9 375%-2/15/12	1,435,000 00	03/31/2004	04/06/2010	1,639,171 80	1,583,537 44	55,634 36
VALUE PORTFOLIO	136,986 301 UNITS	12/13/2000	12/18/2009	1,500,000 00	1,783,698 63	(283,698 63)
VALUE PORTFOLIO	135,501 355 UNITS	12/13/2000	12/21/2009	1,500,000 00	1,764,363 14	(264,363 14)
VALUE PORTFOLIO	174,418 605 UNITS	12/13/2000	04/13/2010	2,100,000 00	2 271,104 42	(171,104 42)
VALUE PORTFOLIO	292,272 461 UNITS	12/13/2000	08/12/2010	3,144,851 68	2,615,742 31	529,109 37
WELLS FARGO-7 55%-6/21/10	$1 319M	05/10/2005	12/21/2009	1,364,241 70	1,358,738 19	5,503 51
WORLDCOM VICTIM TRUST	CLASS ACTION SETTLEMENT	12/06/2000	03/31/2010	35,945 22		35,945 22
WORLDCOM VICTIM TRUST	CLASS ACTION SETTLEMENT	12/06/2000	03/31/2010	19 14		19 14
WORLDCOM VICTIM TRUST	CLASS ACTION SETTLEMENT	12/06/2000	04/30/2010	7,781 31		7,781 31
USTN-2 375%-3/31/16	860,000 00	12/22/2009	03/24/2010	833,292 97	842,800 00	(9,507 03)
Totals				121,447,326 64	120,974,600 11	472,726 53

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
BANK OF NEW YORK CUSTODIAN	1,816.	1,816.
TOTAL	1,816.	1,816.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
BANK OF NEW YORK CUSTODIAN	4,404,467.	4,404,467.
TOTAL	4,404,467.	4,404,467.

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 09/30/2010 STATEMENT 3
FORM 990PF SUPPORTING SCHEDULE - PART I, LINE 11
OTHER INCOME

DESCRIPTION	BOOKS (A)	NII (B)	ANI (C)	DCP (D)
ROYALTY INCOME	30,937	30,937		
HIRTLE CALLAGHAN PRIVATE EQUITY FUND IV, LP	29,602	29,602		
MISCELLANEOUS INCOME	7,580	7,580		
TOTAL	68,119	68,119		

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
COKINOS BOSIEN & YOUNG	500.	500.		
TOTALS	500.	500.	0.	0.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
MELTON & MELTON CPAS	19,000.	19,000.		
DEIDRE SCINTA CPA	3,000.	3,000.		
TOTALS	22,000.	22,000.	0.	0.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
COVENANT TECHNOLOGIES INC	26,500.	26,500.
BANK OF NEW YORK MELLON	98,616.	98,616.
HIRTLE & CALLAGHAN INC	338,152.	338,152.
VAUGHAN NELSON & CO	99,176.	99,176.
TOTALS	562,444.	562,444.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
FEDERAL EXCISE TAX	41,704.		
PAYROLL TAXES	16,041.	12,031.	4,010.
AD VALOREM TAXES	1,142.	1,142.	
OIL & GAS PRODUCTION TAXES	698.	698.	
TOTALS	59,585.	13,871.	4,010.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
MAINTENANCE & REPAIR HISTORIC	3,600.		3,600.
MAINTENANCE & REPAIR PARK	19,954.		19,954.
INSURANCE EXPENSE	36,049.	19,827.	16,222.
OFFICE EXPENSE	29,437.	16,190.	13,247.
TOTALS	89,040.	36,017.	53,023.

FORM 990PF, PART II - PREPAID EXPENSES AND DEFERRED CHARGES

ATTACHMENT 9

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
PREPAID FED EXCISE TAX	188,849.	147,837.	147,837.
TOTALS	188,849.	147,837.	147,837.

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 09/30/2010
FORM 990PF SUPPORTING SCHEDULE - PART II, LINE 10A
INVESTMENTS - GOVERNMENT BONDS - STATEMENT 10

ALL AMOUNTS ARE AT COST

DESCRIPTION	BEGINNING OF YEAR AMOUNT	END OF YEAR AMOUNT	FMV END OF YEAR AMOUNT
FFCB - 2% - 01/17/12	599,164	599,499	612,188
FHLB - 5% - 10/13/11	500,000	500,000	523,906
FHLMC - 2.5% - 4/08/13	1,300,000	1,300,000	1,313,767
FHLMC - 5.55% - 10/04/16	1,462,782		
FHLMC GOLD POOL-6%-3/1/11	20,873	2,180	2,198
FHLMC POOL - 6.0% - 7/1/17	233,781	170,257	176,905
FHLMC POOL - 6.5% - 1/01/16	34,790	23,042	24,525
FHLMC POOL - 6.5% - 11/1/11	33,581	7,551	7,443
FNMA - 5.25% - 03/05/14	856,829	0	
FNMA POOL-5%-4/01/23	4,126,309	2,777,187	2,954,231
FNMA POOL-5%-6/1/22	404,871	264,538	287,205
FNMA POOL-5.5%-6/1/19	1,785,876	0	
FNMA POOL-5.5%-08/01/2037	910,256	475,204	510,279
FNMA POOL-5.5%-9/1/17	195,258	139,850	147,681
FNMA POOL-6%-9/1/13	138,661	82,302	91,737
FNMA POOL-6.5%-10/1/31	92,574	66,507	72,691
FNMA POOL-6.5%-11/1/16	160,655	116,389	122,092
FNMA POOL-7%-7/1/11	13,372	5,499	5,683
USTB - 5 25% - 11/15/2028	585,428	915,351	1,010,750
USTN - 1 % - 3/31/2012		1,907,811	1,923,821
USTN - 1.125% - 1/15/2012	1,805,145	0	
USTN - 1.375% - 3/15/2013		1,700,000	1,734,935
USTN - 1.5% - 7/15/2012	2,917,533	0	
USTN - 1.875% - 06/30/2015	0	1,556,938	1,592,074
VANGUARD FIXED INCOME TIPS FND	9,400,000	16,789,060	20,291,764
TOTAL	27,577,738	29,399,165	33,405,875

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 09/30/2010 STATEMENT 11-1
FORM 990PF SUPPORTING SCHEDULE - PART II, LINE 10b
INVESTMENTS - CORPORATE STOCK

ALL AMOUNTS ARE AT COST

DESCRIPTION	BEGINNING OF YEAR AMOUNT	END OF YEAR AMOUNT	FMV END OF YEAR AMOUNT
H-C GROWTH PORTFOLIO	35,594,339	29,005,126	28,393,498
H-C INTL EQ PORTFOLIO	33,671,111	43,888,243	45,190,076
H-C SM CAP PORTFOLIO	13,361,714	4,886,563	4,552,375
H-C SSGA FDS EM MKTS PORTFOLIO	5,270,865	10,521,559	11,597,495
H-C VALUE PORTFOLIO	29,948,071	25,232,970	22,793,099
H-C PRIVATE EQUITY IV LP	2,500,170	2,467,921	2,369,835
H-C PRIVATE EQUITY V LP	2,805,159	2,805,159	2,363,355
H-C PRIVATE EQUITY VI LP	1,908,818	2,458,968	2,309,602
H-C PRIVATE EQUITY VII LP	841,395	1,274,885	1,270,685
H-C TOTAL RETURN LP	12,702,300	12,702,301	12,662,580
TOTAL	138,603,942	135,243,695	133,502,600

STATEMENT 11

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 09/30/2010

FORM 990PF SUPPORTING SCHEDULE - PART II, LINE 10c
INVESTMENTS - CORPORATE BONDS - STATEMENT 12

ALL AMOUNTS ARE AT COST

DESCRIPTION	BEGINNING OF YEAR AMOUNT	END OF YEAR AMOUNT	FMV END OF YEAR AMOUNT
APACHE CORP-5.25%-4/15/13	0	543,745	545,045
ACE INA HLDGS - 8.875% - 08/15/29	1,767,272	1,187,722	1,405,040
BERKSHIRE HATHAWAY - 4.75% - 05/15/10	514,860	0	
CAPITAL ONE - 5.7% - 9/15/11	1,349,089	0	
CAPITAL ONE - 6.5% - 6/13/13	0	1,086,611	1,106,420
COCA COLA ENTERPRISES-6.95%-11/15/26	513,485	0	
DEVON FING CORP- 6.875%-09/30/11	596,237	0	
FROST NATL BANK - 6.875% - 8/1/11	1,835,398	1,831,199	1,889,556
GEN ELEC CO-5.25%-12/06/17	1,191,215	0	
GOLDMAN SACHS -5.25%-10/15/13	0	1,209,941	1,222,751
IBM CORP-8.375%11/1/19	0	424,659	454,327
MARATHON OIL-6%-10/1/17	0	575,230	581,875
MERRILL LYNCH-6.4%-8/28/17	0	1,305,539	1,367,875
NATIONAL CITY CORP - 6.875% - 05/15/19	1,262,033	1,252,872	1,378,298
NATL CITY BK CLEVELAND-6.2%-12/15/11	368,722	359,735	369,341
OCCIDENTAL PET - 9.25% - 8/1/19	1,431,910	1,406,819	1,628,717
OLD DOMINION ELEC - 6.25% - 06/01/11	1,832,021	0	
REPUBLIC NY-9 125%-5/15/21	0	814,060	836,609
TCI COMMUNICATIONS-8.75%-8/1/15	0	913,828	944,010
TRANS CANADA PIPELINES -9.875%	1,437,166	1,420,503	1,819,912
TRANSATLANTIC HOLDINGS - 5.75%	1,004,687	1,020,572	1,154,802
UNION PAC RES - 7.95% - 4/15/29	1,861,143	0	
USX-MARATHON-9.375%-2/15/12	1,583,537	0	
WELLS FARGO - 7.55% - 6/21/10	1,358,738	0	
H-C HI YIELD BND PORTFOLIO	14,158,719	12,087,996	12,047,258
H-C ABSOLUTE RETURN LTD	7,169,205	7,169,205	6,860,484
TOTAL	41,235,437	34,610,236	35,612,320

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
FRED C. BURNS 2727 ALLEN PARKWAY #1570 HOUSTON, TX 77019-2125	CHAIRMAN ASST TREASURER	30,258.	0.	0.
BRADY F. CARRUTH 2727 ALLEN PARKWAY #1570 HOUSTON, TX 77019-2125	PRESIDENT ASST TREASURER	30,258.	0.	0.
R.W. WORTHAM III 2727 ALLEN PARKWAY #1570 HOUSTON, TX 77019-2125	SECRETARY ASST TREASURER	30,258.	0.	0.
J A ELKINS III 2727 ALLEN PARKWAY #1570 HOUSTON, TX 77019-2125	TRUSTEE ASST TREASURER	21,172.	0.	0.
	GRAND TOTALS	111,946.	0.	0.

990PF, PART VIII - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

ATTACHMENT 14

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
WILLIAM V H CLARKE 2727 ALLEN PKWY STE 1570 HOUSTON, TX 77019	CONTROLLER 30.00	154,210.	0.	0.
BARBARA J SNYDER 2727 ALLEN PKWY STE 1570 HOUSTON, TX 77019	GRANTS COORDINATOR 40.00	93,017.	0.	0.
	TOTAL COMPENSATION	247,227.	0.	0.

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS

ATTACHMENT 15

NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
VAUGHAN, NELSON, SCARBROUGH 6300 CBT TWR HOUSTON, TX 77002 INVESTMENT MANAGER	INVESTMENT MGR	99,176.
HIRTLE & CALLAGHAN 300 BARR HBR DR STE 500 W CONSHOHOCKEN, PA 19428 INVESTMENT MANAGER - CIO	INVESTMENT MGMT	338,152.
BANK OF NEW YORK MELLON P O BOX 11214 NEW YORK, NY 10286 CUSTODIAN	CUSTODIAN	98,616.
	TOTAL COMPENSATION	535,944.

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

BARBARA J SNYDER
2727 ALLEN PARKWAY #1570
HOUSTON, TX 77019-2125
713-526-8849

FORM 990PF SUPPORTING SCHEDULE - PART XV
SUPPLEMENTARY INFORMATION

QUESTION 2a:
Applications should be addressed to:
Barbara J. Snyder, 2727 Allen Parkway, Suite 1570, Houston, TX 77019
Telephone number:
(713) 526-8849

QUESTION 2b:
Application forms may be obtained by writing or calling:
Barbara J. Snyder, 2727 Allen Parkway, Suite 1570, Houston, TX 77019
Telephone number:
(713) 526-8849

QUESTION 2c:
Applications should be submitted by the second week of January, April, July, or October in order to be considered at the Foundation's quarterly Trustee meetings, which are held in mid-February, May, August, and November.

QUESTION 2d:
Awards are granted primarily for cultural arts and civic beautification projects and to those projects which benefit the citizens of Houston, Harris County, Texas.

FORM 990PF SUPPORTING SCHEDULE - PART XV, LINE 3a
SUPPLEMENTARY INFORMATION

RECIPIENT	RELATIONSHIP	FDN STATUS	PURPOSE	AMOUNT
ALLEY THEATRE 615 TEXAS AVE, HOUSTON, TX 77002	NONE	PUBLIC	GENERAL OPERATIONS	150,000
ART LEAGUE OF HOUSTON 1953 MONTROSE BLVD HOUSTON TX 77006	NONE	PUBLIC	GENERAL OPERATIONS	5,000
ASSOCIATION FOR COMMUNITY TELEVISION 4343 ELGIN HOUSTON TX 77204-0008	NONE	PUBLIC	GENERAL OPERATIONS	100,000
BARD COLLEGE ANNANDALE ON HUDSON, NY 12504	NONE	PUBLIC	GENERAL OPERATIONS	25,000
BAYOU CITY PERFORMING ARTS INC P O BOX 541004 HOUSTON TX 77254-1004	NONE	PUBLIC	GENERAL OPERATIONS	5,000
BAYOU PRESERVATION ASSN P O BOX 131563, HOUSTON TX 77219-1563	NONE	PUBLIC	GENERAL OPERATIONS	10,000
BUFFALO BAYOU PARTNERSHIP 1111 BAGBY LOBBY HOUSTON TX 77002	NONE	PUBLIC	GENERAL OPERATIONS	25,000
CHILDREN'S MUSEUM 1500 BINZ, HOUSTON, TX 77004-7112	NONE	PUBLIC	GENERAL OPERATIONS	125,000
CONTEMPORARY ARTS MUSEUM 5216 MONTROSE BLVD HOUSTON TX 77006-6598	NONE	PUBLIC	GENERAL OPERATIONS	50,000
DA CAMERA SOCIETY 3912 MANDELL, HOUSTON, TX 77006	NONE	PUBLIC	GENERAL OPERATIONS	150,000
DIVERSE WORKS 1117 E FWY, HOUSTON TX 77002-1118	NONE	PUBLIC	GENERAL OPERATIONS	10,000
DOMINIC WALSH DANCE THEATRE 2311 DUNLAVY ST #210 HOUSTON TX 77006	NONE	PUBLIC	GENERAL OPERATIONS	5,000
1894 GRAND OPERA HOUSE 2020 POST OFFICE GALVESTON TX 77550	NONE	PUBLIC	GENERAL OPERATIONS	50,000
ENSEMBLE THEATRE P O BOX 131095 HOUSTON TX 77219-1095	NONE	PUBLIC	GENERAL OPERATIONS	5,000
EXECUTIVE SERVICE CORPS OF HOUSTON 2630 FOUNTAINVIEW #428 HOUSTON TX 77057	NONE	PUBLIC	GENERAL OPERATIONS	5,000

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 9/30/2006 STATEMENT 17-2
FORM 990PF SUPPORTING SCHEDULE - PART XV, LINE 3a
SUPPLEMENTARY INFORMATION

RECIPIENT	RELATIONSHIP	FDN STATUS	PURPOSE	AMOUNT
EXPRESS THEATRE 446 NORTHWEST MALL HOUSTON TX 77092	NONE	PUBLIC	GENERAL OPERATIONS	5,000
GALVESTON HISTORICAL FOUNDATION 502 20TH ST GALVESTON TX 77550	NONE	PUBLIC	GENERAL OPERATIONS	35,000
GREATER HOUSTON PRESERVATION ALLIANCE 712 MAIN ST #110 HOUSTON TX 77002-3207	NONE	PUBLIC	GENERAL OPERATIONS	5,000
THE HERITAGE SOCIETY 1100 BAGBY HOUSTON TX 77002	NONE	PUBLIC	OPERATIONS	25,000
HOLOCAUST MUSEUM HOUSTON 5401 CAROLINE HOUSTON TX 77004	NONE	PUBLIC	GENERAL OPERATIONS	25,000
HOUSTON ARBORETUM & NATURE CENTER 4501 WOODWAY DR HOUSTON TX 77024	NONE	PUBLIC	GENERAL OPERATIONS	25,000
HOUSTON AUDUBON SOCIETY 440 WILCHESTER HOUSTON TX 77079	NONE	PUBLIC	GENERAL OPERATIONS	5,000
HOUSTON BALLET 1921 W BELL, HOUSTON, TX 77219-0487	NONE	PUBLIC	GENERAL OPERATIONS	400,000
HOUSTON CENTER FOR CONTEMPORARY CRAFT 4848 MAIN ST HOUSTON TX 77002	NONE	PUBLIC	GENERAL OPERATIONS	50,000
HOUSTON CENTER FOR PHOTOGRAPHY 1441 W ALABAMA HOUSTON TX 77006-4103	NONE	PUBLIC	GENERAL OPERATIONS	5,000
HOUSTON CHAMBER CHOIR P O BOX 53388HOUSTON TX 77052-3388	NONE	PUBLIC	GENERAL OPERATIONS	5,000
HOUSTON CHILDRENS CHORUS 1015 HOLMAN HOUSTON TX 77004	NONE	PUBLIC	GENERAL OPERATIONS	10,000
HOUSTON EARLY MUSIC POB 271193 HOUSTON TX 77277	NONE	PUBLIC	OPERATIONS	5,000
HOUSTON FOTOFEST INC. 1113 VINE ST #101 HOUSTON TX 77002	NONE	PUBLIC	GENERAL OPERATIONS	10,000
HOUSTON GRAND OPERA 510 PRESTON, HOUSTON, TX 77002-1594	NONE	PUBLIC	GENERAL OPERATIONS	800,000

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 9/30/2006 STATEMENT 17-3
FORM 990PF SUPPORTING SCHEDULE - PART XV, LINE 3a
SUPPLEMENTARY INFORMATION

RECIPIENT	RELATIONSHIP	FDN STATUS	PURPOSE	AMOUNT
HOUSTON MUSEUM DISTRICT ASSN 1020 HOLCOMBE BLVD #1300 HOUSTON TX 77030-2213	NONE	PUBLIC	GENERAL OPERATIONS	15,000
HOUSTON MUSEUM OF NATURAL SCIENCE ONE HERMANN CIR DR HOUSTON TX 77030-1799	NONE	PUBLIC	CAPITAL	850,000
HOUSTON SYMPHONY SOCIETY 615 LOUISIANA, HOUSTON, TX 77002-2798	NONE	PUBLIC	GENERAL OPERATIONS	1,000,000
HOUSTON SYMPHONY SOCIETY 615 LOUISIANA, HOUSTON, TX 77002-2798	NONE	PUBLIC	ENDOWMENT	400,000
HOUSTON WILDERNESS INC 4916 MAIN ST #230 HOUSTON TX 77002	NONE	PUBLIC	GENERAL OPERATIONS	10,000
HOUSTON ZOO INC P O BOX 66387 HOUSTON TX 77266	NONE	PUBLIC	CAPITAL	3,000,000
JULIA IDESON LIBRARY PRESERVATION PTRS 2726 BISSONNET #240-203 HOUSTON TX 77005	NONE	PUBLIC	CAPITAL	150,000
KATY PRAIRIE CONSERVANCY 3015 RICHMOND AVE #230 HOUSTON TX 77098	NONE	PUBLIC	GENERAL OPERATIONS	100,000
LAWNDALE ART CENTER 4912 MAIN HOUSTON TX 77002	NONE	PUBLIC	GENERAL OPERATIONS	5,000
MAIN STREET THEATRE 2540 TIMES BLVD HOUSTON TX 77005	NONE	PUBLIC	GENERAL OPERATIONS	15,000
MEMORIAL PARK CONSERVANCY INC POB 131024 HOUSTON TX 77219	NONE	PUBLIC	GENERAL OPERATIONS	25,000
MEMORIAL PARK CONSERVANCY INC POB 131024 HOUSTON TX 77219	NONE	PUBLIC	CAPITAL	100,000
MENIL FOUNDATION INC 1515 BRANARD HOUSTON TX 77006	NONE	PUBLIC	GENERAL OPERATIONS	200,000
MILLER THEATRE ADVISORY BOARD POB 66267 HOUSTON TX 77266-6267	NONE	PUBLIC	GENERAL OPERATIONS	50,000
MUSEUM OF FINE ARTS - HOUSTON 1001 BISSONNET, HOUSTON, TX 77005	NONE	PUBLIC	GENERAL OPERATIONS	110,000

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 9/30/2006 STATEMENT 17-4
FORM 990PF SUPPORTING SCHEDULE - PART XV, LINE 3a
SUPPLEMENTARY INFORMATION

RECIPIENT	RELATIONSHIP	FDN STATUS	PURPOSE	AMOUNT
MUSEUM OF HEALTH & MEDICAL SCIENCE 1515 HERMANN DR HOUSTON TX 77004-7126	NONE	PUBLIC	GENERAL OPERATIONS	75,000
MUSEUM OF PRINTING HISTORY 1324 W CLAY HOUSTON TX 77019	NONE	PUBLIC	GENERAL OPERATIONS	50,000
MUSIC IN CONTEXT P O BOX 20129, HOUSTON TX 77025-0129	NONE	PUBLIC	OPERATIONS	20,000
NATIONAL TRUST FOR HISTORIC PRESERVATION 500 MAIN ST #1030 FT WORTH TX 76102	NONE	PUBLIC	OPERATIONS	35,000
OPERA IN THE HEIGHTS 1703 HEIGHTS BLVD HOUSTON TX 77008	NONE	PUBLIC	GENERAL OPERATIONS	15,000
REVELS HOUSTON INC P O BOX 66829 HOUSTON TX 77266-6829	NONE	PUBLIC	GENERAL OPERATIONS	10,000
SHAKESPEARE GLOBE CENTER U OF H DRAMA DEPT , HOUSTON, TX 77004	NONE	PUBLIC	GENERAL OPERATIONS	5,000
SOCIETY FOR THE PERFORMING ARTS 615 LOUISIANA, HOUSTON TX 77002-2796	NONE	PUBLIC	GENERAL OPERATIONS	150,000
SPARK P O BOX 1562, HOUSTON TX 77251	NONE	PUBLIC	GENERAL OPERATIONS	40,000
STAGES, INC 3201 ALLEN PKWY #101, HOUSTON, TX 77019	NONE	PUBLIC	GENERAL OPERATIONS	75,000

THE WORTHAM FOUNDATION, INC. - 74-1334356 FORM 990PF (2010)
HOUSTON, TX 77019
FOR THE TAX YEAR ENDED: 9/30/2006 STATEMENT 17-5
FORM 990PF SUPPORTING SCHEDULE - PART XV, LINE 3a
SUPPLEMENTARY INFORMATION

RECIPIENT	RELATIONSHIP	FDN STATUS	PURPOSE	AMOUNT
STUDENT CONSERVATION ASSN INC 1800 N KENT ARLINGTON VA 22209	NONE	PUBLIC	GENERAL OPERATIONS	10,000
TALENTO BILINGUE DE HOUSTON 333 S LENSEN DR HOUSTON TX 77003	NONE	PUBLIC	GENERAL OPERATIONS	20,000
THE ORANGE FOUNDATION 2402 MUNGER, HOUSTON TX 77023	NONE	PUBLIC	GENERAL OPERATIONS	10,000
THEATRE UNDER THE STARS 2600 SW FREEWAY #600 HOUSTON TX 77098	NONE	PUBLIC	GENERAL OPERATIONS	150,000
TREES FOR HOUSTON 3100 WESLAYAN #305, HOUSTON TX 77027	NONE	PUBLIC	GENERAL OPERATIONS	60,000
UNITED WAY OF TEXAS GULF COAST P O BOX 924507, HOUSTON, TX 77292	NONE	PUBLIC	GENERAL OPERATIONS	50,000
UNIVERSITY OF HOUSTON SYSTEM 4800 CALHOUN HOUSTON TX 77204-2164	NONE	PUBLIC	GENERAL OPERATIONS	35,000
WILLIAM MARSH RICE UNIVERSITY 6100 MAIN ST -MS1 HOUSTON TX 77005-1892	NONE	PUBLIC	CAPITAL	300,000
WOODLANDS CENTER FOR THE PERFORMING ARTS, 2005 LAKE ROBBINS DR, THE WOODLANDS, TX 77380	NONE	PUBLIC	GENERAL OPERATIONS	75,000
YOUNG AUDIENCES OF HOUSTON 2515 W MAIN, #500, HOUSTON, TX 77098	NONE	PUBLIC	GENERAL OPERATIONS	10,000
YOUNG MEN'S CHRISTIAN ASSOCIATION 1600 LOUISIANA HOUSTON TX 77002	NONE	PUBLIC	CAPITAL	100,000
TOTAL CONTRIBUTIONS PAID				9,455,000

FORM 990PF SUPPORTING SCHEDULE - PART XV, LINE 3b
SUPPLEMENTARY INFORMATION

RECIPIENT	RELATIONSHIP	FDN STATUS	PURPOSE	AMOUNT
GALVESTON HISTORICAL FOUNDATION 502 20TH ST GALVESTON TX 77550-2014	NONE	PUBLIC	GENERAL OPERATIONS	70,000
HOUSTON BALLET 1921 W BELL, HOUSTON, TX 77219-0487	NONE	PUBLIC	CAPITAL	500,000
HOUSTON MUSEUM OF NATURAL SCIENCE ONE HERMANN CIR DR HOUSTON TX 77030-1799	NONE	PUBLIC	CAPITAL	850,000
HOUSTON SYMPHONY 615 LOUISIANA, HOUSTON, TX 77002-2798	NONE	PUBLIC	ENDOWMENT	400,000
HOUSTON ZOO INC POB 66387 HOUSTON TX 77266	NONE	PUBLIC	CAPITAL	1,000,000
MEMORIAL PARK CONSERVANCY INC POB 131024 HOUSTON TX 77219	NONE	PUBLIC	CAPITAL	200,000
THE HERITAGE SOCIETY 1100 BAGBY HOUSTON TX 77002-2504	NONE	PUBLIC	OPERATIONS	25,000
TOTAL CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT				3,045,000

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUE

ATTACHMENT 19

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
PARTNERSHIP INVESTMENT INCOME			14	29,602.	
TOTALS				29,602.	

FORM 990PF SUPPORTING SCHEDULE - PART IX-A & IX-B
SUPPLEMENTARY INFORMATION

PART IX-A:
The foundation provides maintenance, repair, preservation, and rehabilitation services on an as needed basis for Houston City parks and Texas historic sites. During the fiscal year ended September 30, 2010, the foundation provided maintenance for and continued rehabilitation of the city fountain in Buffalo Bayou Park in Houston, Texas. The Foundation staff was active in determining the scope and method of rehabilitation, contract negotiation and supervision, and fiscal management of the project. In addition the foundation provided partial maintenance and repair for the historic cemetery at Fairfield, Texas. The activities were limited to the maintenance and preservation of the grounds and other public areas which constitute the historic site as designated by the State of Texas. The foundation contracted with local providers to perform the actual activities and paid for these services directly. Net expenses - $23,554

The scope of the benefit provided by these direct charitable activities is very broad. The benefit extends to all of the citizens of the city of Houston, Texas in the case of the Buffalo Bayou Park rehabilitation and to all of the citizens of the State of Texas in the case of the historic site preservation in Fairfield, Texas. The foundation intends to keep its direct involvement in these areas very limited. Only in cases where the need appears to be significant and where there is no evidence of an effective supporting agency does the foundation consider it appropriate to become directly involved in projects of this type.

PART IX-B:
The foundation does not derive any income from its grant programs or direct charitable activities.