



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



# Return of Private Foundation

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

### Treated as a Private Foundation

2010

Department of the Treasury  
Internal Revenue Service

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

For calendar year 2010, or tax year beginning , and ending

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

Name of foundation <b>THE VARFLEX EDUCATIONAL FOUNDATION II</b>		A Employer identification number <b>16-6552465</b>
Number and street (or P O box number if mail is not delivered to street address) <b>512 WEST COURT STRET</b>	Room/suite	B Telephone number <b>315-336-4400</b>
City or town, state, and ZIP code <b>ROME, NY 13440</b>		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) <b>\$ 164,681.</b> (Part I, column (d) must be on cash basis.)	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		5,114.	5,111.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<2,069.>			
b Gross sales price for all assets on line 6a		32,974.			
7 Capital gain net income (from Part IV, line 2)			0.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11		3,045.	5,111.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees					
c Other professional fees STMT 2		1,296.	1,296.		0.
17 Interest					
18 Taxes STMT 3		130.	33.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses					
24 Total operating and administrative expenses. Add lines 13 through 23		1,426.	1,329.		0.
25 Contributions, gifts, grants paid		28,000.			28,000.
26 Total expenses and disbursements. Add lines 24 and 25		29,426.	1,329.		28,000.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<26,381.>			
b Net investment income (if negative, enter -0-)			3,782.		
c Adjusted net income (if negative, enter -0-)				N/A	

SCANNED MAY 03 2011  
 RECEIVED  
 IRS-OSC  
 APR 25 2011  
 CODEN: LIT

P  
21

**Part II Balance Sheets**

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

		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
<b>Assets</b>	1 Cash - non-interest-bearing	124.	2.	2.	
	2 Savings and temporary cash investments	5,860.	6,821.	6,821.	
	3 Accounts receivable ▶				
	Less: allowance for doubtful accounts ▶				
	4 Pledges receivable ▶				
	Less: allowance for doubtful accounts ▶				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons				
	7 Other notes and loans receivable ▶				
	Less: allowance for doubtful accounts ▶				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments - U.S. and state government obligations <b>STMT 5</b>	74,173.	59,355.	66,372.	
	b Investments - corporate stock <b>STMT 6</b>	1,456.	1,076.	1,324.	
	c Investments - corporate bonds				
<b>Liabilities</b>	11 Investments - land, buildings, and equipment: basis ▶				
	Less: accumulated depreciation ▶				
	12 Investments - mortgage loans				
	13 Investments - other <b>STMT 7</b>	105,767.	94,434.	90,162.	
	14 Land, buildings, and equipment: basis ▶				
	Less: accumulated depreciation ▶				
	15 Other assets (describe ▶)				
	16 <b>Total assets</b> (to be completed by all filers)	187,380.	161,688.	164,681.	
	17 Accounts payable and accrued expenses				
	18 Grants payable				
<b>Net Assets or Fund Balances</b>	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable				
	22 Other liabilities (describe ▶)				
23 <b>Total liabilities</b> (add lines 17 through 22)	0.	0.			
<b>Foundations that follow SFAS 117, check here</b> <input type="checkbox"/>	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	<b>Foundations that do not follow SFAS 117, check here</b> <input checked="" type="checkbox"/>	27 Capital stock, trust principal, or current funds	206,274.	206,274.	
		28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
		29 Retained earnings, accumulated income, endowment, or other funds	<18,894.>	<44,586.>	
		30 <b>Total net assets or fund balances</b>	187,380.	161,688.	
	31 <b>Total liabilities and net assets/fund balances</b>	187,380.	161,688.		

**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	187,380.
2 Enter amount from Part I, line 27a	2	<26,381.>
3 Other increases not included in line 2 (itemize) ▶ <b>SEE STATEMENT 4</b>	3	689.
4 Add lines 1, 2, and 3	4	161,688.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 <b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) - Part II, column (b), line 30	6	161,688.

**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.)
<b>1a SEE ATTACHED SCHEDULE</b>		<b>P</b>	<b>VARIOUS</b>	<b>VARIOUS</b>
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)
<b>a 32,974.</b>		<b>35,043.</b>	<b>&lt;2,069.&gt;</b>
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))
<b>a</b>			<b>&lt;2,069.&gt;</b>
b			
c			
d			
e			

  

<b>2</b> Capital gain net income or (net capital loss)	<div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;">           If gain, also enter in Part I, line 7            If (loss), enter -0- in Part I, line 7         </div> <div style="margin-left: 10px;"> <b>2</b> </div> </div>	<b>&lt;2,069.&gt;</b>
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	<div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;">           If gain, also enter in Part I, line 8, column (c).            If (loss), enter -0- in Part I, line 8         </div> <div style="margin-left: 10px;"> <b>3</b> </div> </div>	<b>N/A</b>

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	19,953.	171,596.	.116279
2008	23,026.	213,365.	.107918
2007	19,541.	231,102.	.084556
2006	15,612.	226,043.	.069067
2005	0.	17,660.	.000000

  

<b>2</b> Total of line 1, column (d)	<b>2</b>	<b>.377820</b>
<b>3</b> 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	<b>3</b>	<b>.075564</b>
<b>4</b> Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	<b>4</b>	<b>166,903.</b>
<b>5</b> Multiply line 4 by line 3	<b>5</b>	<b>12,612.</b>
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	<b>38.</b>
<b>7</b> Add lines 5 and 6	<b>7</b>	<b>12,650.</b>
<b>8</b> Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	<b>8</b>	<b>28,000.</b>

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	38.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		2	0.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		3	38.
3 Add lines 1 and 2		4	0.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		5	38.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7		0.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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		38.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> Refunded <input checked="" type="checkbox"/>	11		

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NY		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

N/A

	Yes	No
16		X

1b		
1c		X

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)?

☐ Yes ☒ No

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

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

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

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

N/A

☐ Yes ☐ No

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

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

6b

X

If "Yes" to 6b, file Form 8870

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

N/A

7b

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
DOROTHY G. GRIFFIN 8209 PHILIPS ROAD ROME, NY 13440	TRUSTEE 0.00	0.	0.	0.
WILLIAM L. GRIFFIN 1002 JERVIS AVENUE ROME, NY 13440	TRUSTEE 0.00	0.	0.	0.
CHARLES J. SCHOFF P.O. BOX 4460 ROME, NY 13442	TRUSTEE 0.00	0.	0.	0.
WARREN E. WILLIAMS 5086 OSWEGO ROAD ROME, NY 13440	TRUSTEE 0.00	0.	0.	0.

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

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

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

0

Form 990-PF (2010)





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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	162,264.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	7,181.
<b>c</b>	Fair market value of all other assets	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	169,445.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	169,445.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	2,542.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	166,903.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	8,345.

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

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	8,345.
<b>2a</b>	Tax on investment income for 2010 from Part VI, line 5	<b>2a</b>	38.
<b>b</b>	Income tax for 2010. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	38.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	8,307.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	0.
<b>5</b>	Add lines 3 and 4	<b>5</b>	8,307.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	0.
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	8,307.

**Part XII** Qualifying Distributions (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	28,000.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	28,000.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	<b>5</b>	38.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	27,962.

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

**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
<b>1</b> Distributable amount for 2010 from Part XI, line 7				8,307.
<b>2</b> Undistributed income, if any, as of the end of 2010				
<b>a</b> Enter amount for 2009 only			0.	
<b>b</b> Total for prior years:		0.		
<b>3</b> Excess distributions carryover, if any, to 2010:				
<b>a</b> From 2005				
<b>b</b> From 2006	4,111.			
<b>c</b> From 2007	8,104.			
<b>d</b> From 2008	12,506.			
<b>e</b> From 2009	11,467.			
<b>f</b> Total of lines 3a through e	36,188.			
<b>4</b> Qualifying distributions for 2010 from Part XII, line 4: ► \$	28,000.			
<b>a</b> Applied to 2009, but not more than line 2a			0.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2010 distributable amount				8,307.
<b>e</b> Remaining amount distributed out of corpus	19,693.			
<b>5</b> Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	55,881.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		0.		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
<b>f</b> Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 2005 not applied on line 5 or line 7	0.			
<b>9</b> Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	55,881.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2006	4,111.			
<b>b</b> Excess from 2007	8,104.			
<b>c</b> Excess from 2008	12,506.			
<b>d</b> Excess from 2009	11,467.			
<b>e</b> Excess from 2010	19,693.			



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

Recipient		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
Name and address (home or business)					
a Paid during the year					
Total		SEE ATTACHED STATEMENT(S)			28,000.
b Approved for future payment					
NONE					
Total					0.



## Part XVII

## Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- |          |  | Yes   | No |
|----------|--|-------|----|
| <b>1</b> | 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?  |       |    |
| <b>a</b> | Transfers from the reporting foundation to a noncharitable exempt organization of:   |       |    |
|          | (1) Cash   | 1a(1) | X  |
|          | (2) Other assets   | 1a(2) | X  |
| <b>b</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  |
| <b>c</b> | Sharing of facilities, equipment, mailing lists, other assets, or paid employees   | 1c    | X  |
| <b>d</b> | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. |       |    |

[illegible]

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

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

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

Signature of officer or trustee

03.28.11

Date \_\_\_\_\_

**TRUSTEE**

Title

**Paid  
Preparer  
Use Only**

Print/Type preparer's name
----------------------------

Preparer's signature

Date \_\_\_\_\_

Check ☐  
self- employed

PTIN
------

Firm's name ▶

Firm's FIN ▶

Firm's address ►

Phone no.

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES		STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT	
DIVIDENDS	1,625.	0.	1,625.	
INTEREST	1,631.	0.	1,631.	
INTEREST - ON TREASURY OBLIGATIONS	1,858.	0.	1,858.	
TOTAL TO FM 990-PF, PART I, LN 4	5,114.	0.	5,114.	

FORM 990-PF	OTHER PROFESSIONAL FEES		STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
NBT, BANK - INVESTMENT SERVICES	1,287.	1,287.		0.
MISCELLANEOUS	9.	9.		0.
TO FORM 990-PF, PG 1, LN 16C	1,296.	1,296.		0.

FORM 990-PF	TAXES		STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	47.	0.		0.
NEW YORK STATE FILING FEES	50.	0.		0.
FOREIGN TAXES W/H	33.	33.		0.
TO FORM 990-PF, PG 1, LN 18	130.	33.		0.

---



---

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	4
-------------	--	-----------	---

---

DESCRIPTION	AMOUNT
PROCEEDS FROM CLASS-ACTION SETTLEMENT	189.
REFUND OF UNUSED SCHOLARSHIP - 2009	500.
TOTAL TO FORM 990-PF, PART III, LINE 3	689.

---



---

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	5
-------------	--	-----------	---

---

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
GOVERNMENT BONDS	X		59,355.	66,372.
TOTAL U.S. GOVERNMENT OBLIGATIONS			59,355.	66,372.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			59,355.	66,372.

---



---

FORM 990-PF	CORPORATE STOCK	STATEMENT	6
-------------	-----------------	-----------	---

---

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON STOCK	1,076.	1,324.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,076.	1,324.

---



---

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	7
-------------	-------------------	-----------	---

---

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
EQUITY MUTUAL FUNDS	FMV	94,434.	90,162.
TOTAL TO FORM 990-PF, PART II, LINE 13		94,434.	90,162.



**2010 Varflex Educational Foundation II Awardees**

	FIRST	M	LAST	AWARD	COLLEGE
1	Ermin		Aljukic	\$1,000	Utica College
2	Hilary	L	Baker	\$1,000	American International University
3	Allison	E	Bates	\$1,000	Syracuse University
4	Macey	E	Best	\$1,000	Wagner College
5	Nicholas	M	Brement	\$1,000	Princeton University
6	Mirra	L	Campbell	\$1,000	Hamilton College
7	Alainna	I	Carinci-Clark	\$500	Hartwick College
8	Michael	T	Cole	\$500	Mohawk Valley Community College
9	Eamon	J	Dempsey	\$500	St. John Fisher College
10	Olivia	A	DiBella	\$1,000	University at Albany
11	Leanna	M	Guerrieri	\$1,000	SUNY Potsdam
12	Torie	E	Hairston	\$1,000	Elmira College
13	Nyoka	M	Hammond	\$1,000	Mohawk Valley Community College
14	Nicole	M	Hartner	\$500	SUNY Cortland
15	Emily	A	Herbst	\$1,000	Syracuse University
16	David	J	Lombardo	\$1,000	Rensselaer Polytechnic Institute
17	Danielle	M	McHarris	\$1,000	St. John Fisher College
18	Katherine	E	Mumpton	\$1,000	Hartwick College
19	Tess	M	Niznik	\$1,000	Mohawk Valley Community College
20	Donna	G	Occhipinti	\$1,000	Hobart & William Smith College
21	Elizabeth		Orsino	\$1,000	St. John Fisher College
22	Joseph	A	Pasqualetti III	\$500	New Jersey Institute of Technology
23	Justin	R	Peavey	\$1,000	Utica College
24	Andrew	S	Platt	\$1,000	Albany College of Pharmacy & Health
25	Kara	E	Popovich	\$1,000	The University of Vermont
26	Jacob	R	Quattrini	\$1,000	St. John Fisher College
27	Taylor	M	Rapke	\$1,000	University of Vermont
28	Kevin	M	Sayles	\$1,000	Colgate University
29	Megan	K	Serley	\$1,000	Albany College of Pharmacy & Health
30	Jessica	M	Washnis	\$500	Le Moyne College
31	Krista	L	Wolfe	\$1,000	Utica College

**\$28,000**

**Certain employees' of Varflex Corporation are the parents/grandparents of awardees # 1, 8, and 21.**

Account Number:

Date: DECEMBER 31, 2010

# Review of Assets

Shares or Par Value		Unit Market	Investment Cost Basis	Total Market Value
<b>FIXED INCOME SECURITIES</b>				
<b>U.S. GOVT AGENCIES</b>				
10,000	FEDERAL FARM CREDIT BANKS 4.71 10-18-13	109.999	9,835.10	10,999.90
10,000	FEDERAL FARM CREDIT BANKS 5.00 11-07-16	112.505	9,957.20	11,250.50
10,000	FEDERAL FARM CREDIT BANKS 4.875 01-17-17	112.033	9,864.00	11,203.30
10,000	FEDERAL NATL MTG ASSN 5.00 04-15-15	113.189	10,002.64	11,318.90
10,000	FEDERAL NATL MTG ASSN 4.375 09-15-12	106.352	9,723.10	10,635.20
10,000	FEDERAL NATL MTG ASSN 5.125 01-02-14	109.644	9,973.00	10,964.40
<b>TOTAL U.S. GOVT AGENCIES</b>			<b>59,355.04</b>	<b>66,372.20</b>
<b>EQUITIES</b>				
<b>COMMON STOCK</b>				
11	FRONTIER COMMUNICATIONS	9.730	88.00	107.03
34	VERIZON COMMUNICATIONS	35.780	987.66	1,216.52
<b>TOTAL COMMON STOCK</b>			<b>1,075.66</b>	<b>1,323.55</b>
<b>EQUITY MUTUAL FUNDS (ETF)</b>				
96	ISHARES TR MSCI EMERGMKT	47.642	3,634.70	4,573.63
152	ISHARES TR MSCI EAFE IDX	58.220	10,550.75	8,849.44
98	ISHARES TR RUSSELL 2000	78.240	7,285.76	7,667.52
97	SPDR S&P MIDCAP 400 ETF TR	164.680	13,940.75	15,973.96
77	SELECT SECTOR SPDR TR SBI MATERIALS	38.410	2,653.80	2,957.57
142	SELECT SECTOR SPDR TR SBI HEALTHCARE	31.500	4,573.32	4,473.00
172	SELECT SECTOR SPDR TR SBI CONS STAPLES	29.310	4,535.03	5,041.32
197	SELECT SECTOR SPDR TR SBI CONS DISCR	37.410	6,900.42	7,369.77
105	SELECT SECTOR SPDR TR SBI INT-ENERGY	68.250	5,701.54	7,166.25
510	SELECT SECTOR SPDR TR SBI INT- FIN	15.950	17,535.64	8,134.50
193	SELECT SECTOR SPDR TR SBI INT-INDS	34.870	6,729.45	6,729.91
407	SELECT SECTOR SPDR TR SBI TECHNOLOGY	25.190	9,582.10	10,252.33
31	SELECT SECTOR SPDR TR SBI INT-UTILS	31.340	810.42	971.54
<b>TOTAL EQUITY MUTUAL FUNDS (ETF)</b>			<b>94,433.68</b>	<b>90,160.74</b>
<b>TOTAL EQUITIES</b>			<b>95,509.34</b>	<b>91,484.29</b>

Number of Shares	CUSIP	Description	(Box 1b)		(Box 1a)		(Box 2)		Net Gain or Loss	Federal Income Tax Withheld
			Date Acquired	Date of Sale	Stocks, Bonds, etc.	Cost or Other Basis				
Long Term 15% Sales Reported on 1099-B										
10000.0000	3133X8C91	FEDERAL HOME LOAN BANKS 4.375 08-15-11	01/19/2007	07/12/2010	10,295.00	9,747.70	547.30	0.00		
5000.0000	31359MFG3	FEDERAL NATL MTG ASSN 7.25 01-15-10	12/20/2006	01/15/2010	5,000.00	5,070.45	-70.45	0.00		
2819	35908A108	FRONTIER COMMUNICATIONS.COM	04/24/2009	08/04/2010	2.13	2.26	-0.13	0.00		
17.0000	464287465	ISHARES TR MSCI EAFE IDX	01/04/2007	07/09/2010	850.49	1,247.44	-396.95	0.00		
30.0000	464287234	ISHARES TR MSCI EMERGMKT	01/04/2007	07/09/2010	1,197.57	1,135.84	61.73	0.00		
48.0000	81369Y308	SELECT SECTOR SPDR TR SBI CONS STAPLES	01/04/2007	07/09/2010	1,270.53	1,265.59	4.94	0.00		
143.0000	81369Y209	SELECT SECTOR SPDR TR SBI HEALTHCARE	01/04/2007	07/09/2010	4,147.21	4,849.86	-702.65	0.00		
36.0000	81369Y506	SELECT SECTOR SPDR TR SBI INT-ENERGY	01/04/2007	07/09/2010	1,893.92	2,023.61	-129.69	0.00		
81.0000	81369Y704	SELECT SECTOR SPDR TR SBI INT-INDS	01/04/2007	07/09/2010	2,315.75	2,850.40	-534.65	0.00		
45.0000	81369Y886	SELECT SECTOR SPDR TR SBI INT-UTILS	01/04/2007	07/09/2010	1,341.20	1,687.26	-346.06	0.00		
24.0000	81369Y100	SELECT SECTOR SPDR TR SBI MATERIALS	01/04/2007	07/09/2010	727.66	829.71	-102.05	0.00		
168.0000	81369Y803	SELECT SECTOR SPDR TR SBI TECHNOLOGY	01/04/2007	07/09/2010	3,586.73	3,955.26	-368.53	0.00		
13.0000	92343V104	VERIZON COMMUNICATIONS.COM	04/24/2009	07/09/2010	345.53	377.63	-32.10	0.00		
Total Long Term 15% Sales Reported on 1099-B							32,973.72	35,043.01	-2,069.29	0.00