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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

2010

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
E.A. & FRANCES REICHART
FOUNDATION, INC.

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
3545 WEST 1100 NORTH

City or town, state, and ZIP code
ALEXANDRIA IN 46001

A Employer identification number
26-0533447

B Telephone number (see page 10 of the instructions)
765-754-7527

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 502,113

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

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))

	Line	Description	(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)	398,760			
	2	Check ▶ [X] if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	57	57		
	4	Dividends and interest from securities	37,490	37,490		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10 See Stmt	-31,392			
	b	Gross sales price for all assets on line 6a 424,039				
	7	Capital gain net income (from Part IV, line 2)		2,136		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns & allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	404,915	39,683	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule) See Stmt	1,834			
	b	Accounting fees (attach schedule) See Stmt	2,280	1,140		
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions) Stmt	108			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) See Stmt	12,112	8,455		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	16,334	9,595	0	0
	25	Contributions, gifts, grants paid	117,500			117,500
	26	**Total expenses and disbursements.** Add lines 24 and 25	133,834	9,595	0	117,500
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	271,081			
	b	**Net investment income** (if negative, enter -0-)		30,088		
	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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	475,025	502,113	502,113
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶	2,119		
	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 15 of the instructions)			
	7	Other notes and loans receivable (att schedule) ▶			
		Less allowance for doubtful accounts ▶ 0			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)			
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule) See Statement 6	1,093,487	1,339,599	
	14	Land, buildings and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	1,570,631	1,841,712	502,113
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)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ X and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	1,570,631	1,841,712	
	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			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	1,570,631	1,841,712	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	1,570,631	1,841,712	

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	1,570,631
2	Enter amount from Part I, line 27a	2	271,081
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,841,712
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	1,841,712

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a				
b				
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	2,136			2,136
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				2,136
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	2,136
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))
2009	66,492	1,218,030	0.054590
2008	11,476	767,088	0.014960
2007		290,763	
2006			
2005			

2 **Total** of line 1, column (d)	2	0.069550
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	0.034775
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	1,679,534
5 Multiply line 4 by line 3	5	58,406
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	301
7 Add lines 5 and 6	7	58,707
8 Enter qualifying distributions from Part XII, line 4	8	117,500

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 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	301
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0
3	Add lines 1 and 2			3	301
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	301
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	
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	301
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** ▶		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 ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
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? N/A	4b		
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) ▶ IN			
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 2010 or the taxable year beginning in 2010 (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)

			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 ▶ N/A

14 The books are in care of ▶ TINA REICHART ANDERSON Telephone no ▶
3545 WEST 1100 NORTH
Located at ▶ ALEXANDRIA IN ZIP+4 ▶ 46001

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

			Yes	No
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies. Yes No

1a During the year did the foundation (either directly or indirectly)

(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No

(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No

(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No

b If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? N/A **1b**

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 2010? N/A **1c**

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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ Yes ☒ No

If "Yes," list the years ▶ 20 , 20 , 20 , 20

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 22 of the instructions) N/A **2b**

c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here
▶ 20 , 20 , 20 , 20

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 2010 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 2010) N/A **3b**

			Yes	No
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 2010?	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)? 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** 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? 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 (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
BRIAN L. REICHART 120 EAST OAK STREET	ORESTES IN 46063	PRESIDENT 1.00	0	0	0
GARY B. REICHART P.O. BOX 311	ORESTES IN 46063	V. PRESIDENT 1.00	0	0	0
TINA REICHART ANDERSON 120 EAST OAK STREET	ORESTES IN 46063	TREASURER 2.00	0	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
NONE				

Total number of other employees paid over $50,000 ▶ 0

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
NONE		

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

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments (see page 24 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 N/A	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3 ▶	

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	1,216,543
b	Average of monthly cash balances	1b	488,568
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	1,705,111
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	1,705,111
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	25,577
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,679,534
6	**Minimum investment return.** Enter 5% of line 5	6	83,977

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	83,977
2a	Tax on investment income for 2010 from Part VI, line 5 — 2a: 301		
b	Income tax for 2010 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	301
3	Distributable amount before adjustments Subtract line 2c from line 1	3	83,676
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	83,676
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	83,676

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	117,500
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	117,500
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	301
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	117,199

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 page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7					83,676
2 Undistributed income, if any, as of the end of 2010					
a Enter amount for 2009 only				29,623	
b Total for prior years 20____ , 20____ , 20____					
3 Excess distributions carryover, if any, to 2010					
a From 2005					
b From 2006					
c From 2007					
d From 2008					
e From 2009					
f **Total** of lines 3a through e					
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ $ 117,500					
a Applied to 2009, but not more than line 2a				29,623	
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 2010 distributable amount					83,676
e Remaining amount distributed out of corpus		4,201			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))					
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		4,201			
b Prior years' undistributed income Subtract line 4b from line 2b					
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					
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions					
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011					0
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 2005 not applied on line 5 or line 7 (see page 27 of the instructions)					
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a		4,201			
10 Analysis of line 9					
a Excess from 2006					
b Excess from 2007					
c Excess from 2008					
d Excess from 2009					
e Excess from 2010	4,201				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, 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			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
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 ▶ X 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

TINA REICHART ANDERSON
120 EAST OAK ST. ORESTES IN 46063

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

SEE ATTACHED FORM 1023 SCH. H

c Any submission deadlines

SEE ATTACHED FORM 1023 SCH. H

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

SEE ATTACHED FORM 1023 SCH. H

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				
MADISON COUNTY FOUNDATION P.O. BOX 1056 ANDERSON IN 46015	NONE	501(c)(3)	GENERAL SUPPORT	20,000
EAST MAIN STREET CHURCH 1801 MAIN STREET ELWOOD IN 46036-2049	NONE	501(c)(3)	GENERAL SUPPORT	50,000
SHOP WITH A COP ELWOOD ELWOOD IN 46036	NONE	501(c)(3)	GENERAL SUPPORT	1,000
ELWOOD CONCERTS IN THE PA 2132 N. SOUTH STREET ELWOOD IN 46036	NONE	503(c)(3)	GENERAL SUPPORT	1,000
PURDUE UNIVERSITY WEST LAFAYETTE WEST LAFAYETTE IN 47907	NONE	501(c)(3)	GENERAL SUPPORT	45,000
ELWOOD FIRE DEPT ELWOOD ELWOOD IN 46036	NONE	501(c)(3)	GENERAL SUPPORT	500
Total			▶ 3a	117,500
b Approved for future payment N/A				
Total			▶ 3b	

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			15	57	
4 Dividends and interest from securities			14	37,490	
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					
8 Gain or (loss) from sales of assets other than inventory			18	2,136	-33,528
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		39,683	-33,528

13 **Total.** Add line 12, columns (b), (d), and (e) 13 6,155

(See worksheet in line 13 instructions on page 29 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)
N/A	

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			

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 or fiduciary) is based on all information of which preparer has any knowledge

Ann Reichart Nelson — 9/29/11

Signature of officer or trustee — Date — Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
John R. Grant	R Grant CPA	09/22/11	

Firm's name ▶	Krouse, Kern & Co., Inc.	PTIN	
Firm's address ▶	6509 Mutual Drive Fort Wayne, IN 46825	Firm's EIN ▶	35-1498397
		Phone no	260-496-8297

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description: Whom Sold	Date Acquired	Date Sold	How Received	Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
SEE ATTACHED - SHORT TERM	Various	Various	Purchase	$ 96,011	$ 88,903	$	$	$ 7,108
SEE ATTACHED - LONGTERM	Various	Various	Purchase	325,892	366,528			-40,636
Total				$ 421,903	$ 455,431	$ 0	$ 0	$ -33,528

Statement 2 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Legal Fees	$ 1,834	$	$	$
Total	$ 1,834	$ 0	$ 0	$ 0

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	$ 2,280	$ 1,140	$	$
Total	$ 2,280	$ 1,140	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Taxes/Licenses	$ 108	$	$	$
Total	$ 108	$ 0	$ 0	$ 0

2010 Tax Information Statement

Account Number: 1050034656
Recipient's Tax ID Number: 26-0533447
Payer's Federal ID Number: 35-2023116
Questions? (317)805-5065

☐ **Corrected** ☐ **2nd TIN notice**

Payer's Name and Address:
THE TRUST COMPANY OF OXFORD
P.O. BOX 40856
INDIANAPOLIS, IN 46240-0856

Recipient's Name and Address:
REICHART FAMILY FOUNDATION, INC.
C/O TINA REICHART ANDERSON
3545 WEST 1100 NORTH
ALEXANDRIA, IN 46001

2010 Form 1099-B: Proceeds from Broker and Barter Exchange Transactions

OMB No. 1545-0715

Reported to the IRS are Gross Proceeds less commissions and option premiums.

Number of shares	CUSIP (Box 1b)	Description (Box 7)	Date Acquired	Date of Sale (Box 1a)	Stocks Bonds, etc. (Box 2)	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld (Box 4)
Short Term Sales Reported on 1099-B								
220.9380	412295305	HARDING LOEVNER EMERGING MARKETS FUND	11/03/2009	04/06/2010	10,125.57	8,791.12	1,334.45	0.00
742 6000	722005667	PIMCO COMMODITY REAL RETURN STRATEGY FUN	11/03/2009	10/20/2010	6,482.90	6,111.60	371.30	0.00
2967 2260	922031737	VANGUARD INFLATION PROTECTED SEC ADM	VARIOUS	10/20/2010	79,402.97	74,000.00	5,402.97	0 00
Total Short Term Sales Reported on 1099-B					**96,011.44**	**88,902.72**	**7,108.72**	**0.00**
Long Term 15% Sales Reported on 1099-B								
527.4730	19765Y514	COLUMBIA VALUE AND RESTRUCTURING FUND CL	02/04/2008	10/20/2010	24,000 00	28,836.95	-4,836.95	0.00
2661.5970	256210105	DODGE & COX INCOME FUND	02/04/2008	06/25/2010	35,000.00	33,722.43	1,277.57	0.00
4562.7380	256210105	DODGE & COX INCOME FUND	02/04/2008	06/25/2010	60,000.00	57,809.89	2,190.11	0 00
324.5570	412295305	HARDING LOEVNER EMERGING MARKETS FUND	02/04/2008	04/06/2010	14,874 43	17,393.00	-2,518 57	0 00
2579 2790	722005667	PIMCO COMMODITY REAL RETURN STRATEGY FUN	02/04/2008	10/20/2010	22,517.10	45,060.00	-22,542.90	0.00
3549.6960	693390601	PIMCO SHORT-TERM FUND INSTL CLASS	02/04/2008	06/25/2010	35,000.00	35,390.47	-390.47	0.00
2132.4000	81063U503	SCOUT INTERNATIONAL	02/04/2008	10/20/2010	67,000.00	75,081.81	-8,081 81	0 00

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

2010 Tax Information Statement

Ref: 1820

Payer's Name and Address:
THE TRUST COMPANY OF OXFORD
P.O. BOX 40856
INDIANAPOLIS, IN 46240-0856

Account Number: 1050034656
Recipient's Tax ID Number: 26-0533447
Payer's Federal ID Number: 35-2023116
Questions? (317)805-5065

☐ **Corrected** ☐ **2nd TIN notice**

Recipient's Name and Address:
REICHART FAMILY FOUNDATION, INC.
C/O TINA REICHART ANDERSON
3545 WEST 1100 NORTH
ALEXANDRIA, IN 46001

Number of shares	CUSIP *(Box 1b)*	Description *(Box 7)*	Date Acquired	Date of Sale *(Box 1a)*	Stocks Bonds, etc. *(Box 2)*	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld *(Box 4)*
1909.3080	89155J104	TOUCHSTONE SANDS CAPITAL INSTL GROWTH	02/04/2008	10/20/2010	24,000.00	22,243.44	1,756.56	0.00
485.1120	922908496	VANGUARD 500 INDEX FUND SIGNAL SHARES	02/04/2008	10/20/2010	43,500.00	50,990.14	-7,490.14	0.00
Total Long Term 15% Sales Reported on 1099-B					**325,891.53**	**366,528.13**	**-40,636.60**	**0.00**

This is important tax information and is being *furnished* to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Federal Statements

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
FEES	8,455	8,455		
UNREALIZED GAIN LOSS ADJ	3,192			
FOREIGN TAXES PAID	465			
Total	$ 12,112	$ 8,455	$ 0	$ 0

Federal Statements

Statement 6 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
	$ 1,093,487	$ 1,339,599	Cost	$
Total	$ 1,093,487	$ 1,339,599		$ 0

Federal Statements

Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or $5,000

Name of Manager	Amount
NONE	$
Total	$ 0

Form 990-PF, Part XV, Line 1b - Managers Who Own 10% or More Stock

Name of Manager	Amount
NONE	$
Total	$ 0

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description

SEE ATTACHED FORM 1023 SCH. H

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description

SEE ATTACHED FORM 1023 SCH. H

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description

SEE ATTACHED FORM 1023 SCH. H

DRAFT

The E.A. & Frances Reichart Foundation, Inc.
120 East Oak Street
Orestes, Indiana 46063

Federal EIN: 26-0533447

Exhibit to Form 1023
Schedule H

EXHIBIT E

Procedure for Awarding Scholarships and Other Educational Grants to Individuals

Schedule H, Item 1

As noted in Exhibit C, The E.A. & Frances Reichart Foundation, Inc. (the "Foundation"), plans to make grants to individuals for study and similar purposes. The exact scope of this portion of the Foundation's grant making program has not and will not be finalized until after the Foundation's directors have had the opportunity to consider and to discuss specific issues in greater depth. The Foundation's individual grant making program will be conducted pursuant to the objective and nondiscriminatory criteria set forth in this Exhibit E.

The Foundation desires to have this procedure approved in advance by the Internal Revenue Service ("IRS"). The procedure proposed by the Foundation for making scholarship and other educational grants to individuals is as follows:

Items 1a and 1b. Types, Purpose, and Amount of Grants. Every grant awarded under this procedure will be either a scholarship under Section 4945(g)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), used to pay all or a part of a recipient's expenses incurred in attending an educational institution described in Code section 170(b)(1)(A)(ii), or a grant under Code section 4945(g)(3) used to achieve a specific objective or to enhance a recipient's capacities or skills. The Foundation has not yet determined the amounts of its scholarships and other educational grants, but such amounts will be established pursuant to the guidelines set forth below in the Foundation's response to Item 4c.

Item 1c. Educational Loans. The Foundation will not make any educational loans.

Items 1d and 1e. Publicity, Solicitations, and Announcements. The Foundation may publicize the availability of scholarships and other educational grants through direct and indirect contacts with the general public. In particular, scholarships and other educational grants may be publicized through various charitable and educational organizations that work with and provide services to youth and other worthy individuals in the United States and abroad. Scholarships and other educational grants also may be publicized through the financial aid officers of particular educational institutions. The Foundation may expand its publicity efforts as appropriate. No solicitations or announcements have been developed at this time.

DRAFT

Item 1f. Applications for Scholarships and Other Educational Grants. The Foundation has not yet developed applications for scholarships and other educational grants. In the future, however, the Foundation may use applications that include some or all of the following:

- A transcript of prior academic, musical, literary, and/or other achievements, depending on the type of scholarship or other educational grant to be awarded.
- A report of performance on tests designed to measure ability and aptitude.
- A description of financial need.
- An essay written by the applicant describing the applicant's interests and aspirations.
- A description of past involvement in extracurricular activities.
- A list of past honors and recognitions.
- Written recommendations by individuals not related to the applicant.
- The names of the educational institutions to which the applicant intends to apply.

Schedule H, Item 2

The Foundation will retain written records pertaining to all grants awarded under this procedure, including the following:

- All information used to evaluate the qualifications of potential recipients.
- Identification of each recipient (including any relationship of the recipient to the Foundation sufficient to make the recipient a disqualified person of the Foundation within the meaning of Code section 4946(a)(1)).
- Specification of the amount and purpose of each scholarship or other educational grant.
- The reports and other follow-up information obtained under this procedure.

DRAFT

The E.A. & Frances Reichart Foundation, Inc. Federal EIN: 26-0533447

Schedule H, Items 3 and 7

The selection of recipients will be on an objective and nondiscriminatory basis. The Foundation anticipates that scholarships and other educational grants will be made only to worthy individuals to enable them to attend educational institutions, achieve a specific objective, or enhance recipients' capacities or skills. No disqualified person with respect to the Foundation will be eligible for consideration. Donors to the Foundation will not be allowed to designate scholarship recipients or other educational grantees.

Members of the group making the selection (the "Selection Committee"), spouses and dependents of members of the Selection Committee, and all other disqualified persons with respect to the Foundation will be (a) ineligible to receive a scholarship or other educational grant and (b) prohibited from deriving any private benefit, directly or indirectly, by the selection of one or more particular grant recipients.

Schedule H, Item 4

Item 4a. Selection from Within Group of Potential Recipients. The Foundation will use objective and nondiscriminatory selection criteria that are reasonably related to the purposes of the scholarships other educational grants. Criteria may include, but will not be limited to, prior academic performance; performance on tests or auditions designed to measure ability and aptitude for undergraduate or graduate work; recommendations from educators, social workers, and others not related to the potential recipient; financial need; and the conclusions that the Selection Committee might draw from personal interviews as to the applicant's motivations, character, ability, and potential. Factors that are not reasonably related to the purposes of the scholarship or educational grant, such as race, gender, or the employment status of a prospective recipient (or his or her relatives), will not be considered and will have no influence on the selection of recipients. When appropriate, applicants will be interviewed by the Selection Committee in person or by telephone.

Item 4b. Number of Annual Scholarships and Other Educational Grants. The number of annual scholarships and other educational grants made by the Foundation under this procedure will be dependent upon the Foundation's resources and other programs. The Foundation estimates that its individual grant making activities will be only a part of its overall charitable and educational program (albeit a substantial part) and, therefore, expects to make fewer than 10 annual scholarships and other educational grants (at least in the first few years of the program).

Item 4c. Amount of Annual Scholarships and Other Educational Grants.

(i) With respect to scholarships awarded for regular study at an educational institution described in Code section 170(b)(1)(A)(ii) (i.e., scholarships described in Code section 4945(g)(1)), each scholarship will be awarded by the Selection Committee in an amount determined by it, not to exceed the anticipated cost of the recipient's tuition, board, room, fees, books, supplies, travel costs, and incidental expenses for his or her attendance at such educational institution.

(ii) With respect to scholarships and other educational grants used to achieve a specific objective or to enhance recipients' capacities or skills (i.e., scholarships and other educational grants described in Code section 4945(g)(3)), each such scholarship or other educational grant will be awarded by the Selection Committee for a specified period (usually two years or less), and the amount of such a scholarship or educational grant will not exceed the anticipated cost of the particular educational activity designed to achieve a specific objective or to enhance the recipient's capacities or skills.

Item 4d. <u>Requirements or Conditions for Obtaining and Maintaining Scholarships and Other Educational Grants.</u>

(i) With respect to scholarships awarded for regular study at an educational institution described in Code section 170(b)(1)(A)(ii) (i.e., scholarships described in Code section 4945(g)(1)), each such scholarship generally will continue for the designated term of the scholarship during the recipient's course of study at such institution, so long as the recipient maintains satisfactory progress toward completion of his or her course of study and otherwise conforms to the terms and conditions of this procedure. In any event, each such scholarship will continue only so long as it constitutes a scholarship or fellowship grant described in Code section 117(a) (as in effect on the day before the enactment of the Tax Reform Act of 1986). The Foundation may limit some or all of such scholarships to students pursuing musical or other artistic studies at an institution of higher education, but it also may award general educational scholarships that are not conditioned on a recipient choosing a particular course of study.

(ii) With respect to scholarships and other educational grants used to achieve a specific objective or to enhance recipients' capacities or skills (i.e., scholarships and other educational grants described in Code section 4945(g)(3)), the Foundation will use the supervision procedures described below to ensure that recipients use such scholarships and other educational grants only for the purpose of developing fully and productively their exceptional talents.

<u>Schedule H, Item 5</u>

<u>Procedures for Supervising Scholarships Described in Code section 4945(g)(1)</u>. The Foundation may make payments directly to educational institutions described in Code section 170(b)(1)(A)(ii). In certain other instances, the Foundation may make payments directly to the recipient, subject to the supervision and investigation requirements set forth herein.

- With respect to a scholarship under Code section 4945(g)(1) paid on behalf of a recipient to an educational institution described in Code section 170(b)(1)(A)(ii), the

Foundation proposes to supervise, investigate, and review scholarships by complying with the requirements of Treasury Regulations section 53.4945-4(c)(5). Each institution to which such scholarships are paid will be required to agree to use funds from a scholarship to defray a recipient's expenses or to pay the funds (or a portion of them) to a recipient only if the recipient is enrolled at such institution and the recipient's standing at it is consistent with the purposes and conditions of the scholarship.

- With respect to a scholarship under Code section 4945(g)(1) paid directly to a recipient for study at an educational institution described in Code section 170(b)(1)(A)(ii), the Foundation will ensure that it receives at least once a year a report, verified by the educational institution attended by the recipient, that sets forth the recipient's courses taken and grades received in each academic period. In the case of a recipient whose study at an educational institution does not involve the taking of courses but only the preparation of research papers or projects, such as the writing of a doctoral dissertation, the Foundation shall ensure that it receives at least once each year a brief report, approved by the faculty member supervising the recipient or by another appropriate university official, regarding the progress of the recipient's paper or project. Upon the completion of a recipient's study at the educational institution, the Foundation also will obtain a final report describing the recipient's accomplishment with respect to the scholarship and accounting for the funds received under such scholarship.

- With respect to a scholarship under Code section 4945(g)(1) paid directly to a recipient for study at an educational institution described in Code section 170(b)(1)(A)(ii), the Foundation will observe the following procedures for the investigation of suspected diversion of funds from their proper purposes and for the recovery of diverted funds:

  - When the reports submitted under this paragraph, including the failure to submit the reports, indicate that all or part of the scholarship is not being used in furtherance of the purposes of the scholarship, the Selection Committee will investigate the matter immediately. While conducting an investigation of a recipient, the Foundation will withhold further payments until any delinquent reports required under this procedure have been submitted.

  - If the Foundation determines that all or any part of a scholarship has been used for improper purposes and a recipient previously has not diverted funds, the Foundation will take all reasonable and appropriate steps either to recover the funds or to ensure the restoration of the diverted funds and the dedication of other scholarship funds held by the recipient to the proper purposes. Furthermore, the Foundation will withhold any further payments to the recipient until it has received the recipient's written assurance that further diversions will not occur and has required the recipient to take extraordinary precautions to prevent future diversions from occurring.

- In cases where a recipient previously has diverted funds received from the Foundation, and the Foundation determines that any part of a scholarship again has been used for improper purposes, the Foundation will take all reasonable and appropriate steps to recover the funds or to ensure the restoration of the funds and the dedication of other scholarship funds held by the recipient to their proper purposes. Moreover, the Foundation will withhold further payments until these conditions are met: (i) the funds are in fact so recovered or restored; (ii) the Foundation has received the recipient's written assurance that future diversions will not occur; and (iii) the Foundation requires the recipient to take extraordinary precautions to prevent future diversions from occurring.

- As used in this paragraph, the phrase "all reasonable and appropriate steps" includes legal action where appropriate, but need not include legal action if such action would in all probability not result in the satisfaction of execution on a judgment.

Procedures for Supervising Scholarships and Other Educational Grants Described in Code section 4945(g)(3). Each recipient will be required to make a written report to the Foundation at least once a year describing the use of the funds and the recipient's progress toward achieving the purposes for which the scholarship or other educational grant was made. Upon the completion of the undertaking for which the scholarship or other educational grant was made, the recipient will be required to make a final report describing the recipient's accomplishments with respect to the scholarship or other educational grant and accounting for the funds received under such scholarship or other educational grant. The Foundation will observe the following procedures for the investigation of suspected diversion of funds from their proper purposes and for the recovery of diverted funds:

- When the reports submitted under this paragraph, including the failure to submit the reports, indicate that all or part of the scholarship or educational grant is not being used in furtherance of the purposes of the scholarship or educational grant, the Selection Committee will investigate the matter immediately. While conducting an investigation of a recipient, the Foundation will withhold further payments until any delinquent reports required under this procedure have been submitted.

- If the Foundation determines that all or any part of a scholarship or educational grant has been used for improper purposes and a recipient previously has not diverted funds, the Foundation will take all reasonable and appropriate steps either to recover the funds or to ensure the restoration of the diverted funds and the dedication of other scholarship or educational grant funds held by the recipient to the proper purposes. Furthermore, the Foundation will withhold any further payments to the recipient until it has received the recipient's written assurance that further diversions will not occur and has required the recipient to take extraordinary precautions to prevent future diversions from occurring.

- In cases where a recipient previously has diverted funds received from the Foundation, and the Foundation determines that any part of a scholarship or educational grant again has been used for improper purposes, the Foundation will take all reasonable and appropriate steps to recover the funds or to ensure the restoration of the funds and the dedication of other scholarship or educational grant funds held by the recipient to their proper purposes. Moreover, the Foundation will withhold further payments until these conditions are met: (i) the funds are in fact so recovered or restored; (ii) the Foundation has received the recipient's written assurance that future diversions will not occur; and (iii) the Foundation requires the recipient to take extraordinary precautions to prevent future diversions from occurring.

- As used in this paragraph, the phrase "all reasonable and appropriate steps" includes legal action where appropriate, but need not include legal action if such action would in all probability not result in the satisfaction of execution on a judgment.

Schedule H, Item 6

The Selection Committee, once constituted, will consist of some or all of the members of the Foundation's Board of Directors, or other persons appointed or designated by the Foundation's Board of Directors who have demonstrated an interest in assisting individuals in furthering their education. The Foundation has not yet named Selection Committee members or determined methods for replacing such members.

Conclusion

The Foundation believes that the procedure set forth above, by which the Foundation proposes to make scholarships and other educational grants to individuals for study and similar purposes, satisfies the requirements of Code section 4945(g). The Foundation, therefore, requests IRS approval of the procedure.

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• If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . . . . ▶ ☐

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print	Name of exempt organization E A a Frances Reichart Foundation Inc	**Employer identification number** 26-0533447
File by the extended due date for filing your return See instructions	Number, street, and room or suite no If a P.O. box, see instructions. 3545 West 1100 North	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Alexandria IN 46011	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of ▶ John R Grant

Telephone No. ▶ 260-496-8257 FAX No. ▶ 260-496-8187

• If the organization does not have an office or place of business in the United States, check this box . . . . ▶ ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ________ . If this is for the whole group, check this box . . . ▶ ☐ . If it is for part of the group, check this box . . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until November 15 , 20 11 .

5 For calendar year 2010, or other tax year beginning ________ , 20 ____ , and ending ________ , 20 ____ .

6 If the tax year entered in line 5 is for less than 12 months, check reason. ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension Taxpayer is still waiting to receive certain K-1 investment information.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	**8a**	$ None
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	**8b**	$ None
c	**Balance due.** Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	**8c**	$ None

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ JR Grant Title ▶ CPA Date ▶ 8-3-11

Form **8868** (Rev January 2011) Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

RECEIVED AUG 16 2011

• If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . ▶ ☐

• If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (*e-file*). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only . . . ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print — File by the due date for filing your return. See instructions.

Name of exempt organization: E A & Frances Reichart Foundation Inc

Employer identification number: 26-0533447

Number, street, and room or suite no. If a P.O. box, see instructions: 3545 West 1100 North

City, town or post office, state, and ZIP code. For a foreign address, see instructions: Alexandria IN 46011

Enter the Return code for the return that this application is for (file a separate application for each return) . . . 04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ▶

Telephone No. ▶ FAX No. ▶

• If the organization does not have an office or place of business in the United States, check this box . . . ▶ ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box . . . ▶ ☐ . If it is for part of the group, check this box . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until August 15 , 20 11 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ ☑ calendar year 20 10 or

▶ ☐ tax year beginning ______ , 20 ___ , and ending ______ , 20 ___ .

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$
c	**Balance due.** Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ None

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.