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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 CHARLES N. MATHEWSON FOUNDATION		A Employer identification number 94-3179777
Number and street (or P.O. box number if mail is not delivered to street address) 4795 CAUGHLIN PARKWAY	Room/suite 100	B Telephone number 775/348-1844
City or town, state, and ZIP code RENO, NV 89509		C If exemption application is pending, check here ☐
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 17,445,994. (Part I, column (d) must be on cash basis.)	J Accounting method. ☒ Cash ☐ Accrual ☐ Other (specify) _____	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 ☐

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		2,443,270.		N/A	
2 Check ☐ if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		4.	4.		
4 Dividends and interest from securities		320,694.	320,694.		
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<680,857.>			
b Gross sales price for all assets on line 6a		2,230,316.			
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		2,083,111.	320,698.		
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		12,245.	12,245.		12,245.
c Other professional fees					
17 Interest					
18 Taxes					
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses		6,387.	6,387.		6,387.
24 Total operating and administrative expenses. Add lines 13 through 23		18,632.	18,632.		18,632.
25 Contributions, gifts, grants paid		1,051,090.			1,051,090.
26 Total expenses and disbursements. Add lines 24 and 25		1,069,722.	18,632.		1,069,722.
27 Subtract line 26 from line 12		1,013,389.			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)			302,066.		
c Adjusted net income (if negative, enter -0-)				N/A	

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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
Assets	1 Cash - non-interest-bearing	27,589.	35,698.	35,698.
	2 Savings and temporary cash investments	358,637.	294,690.	294,690.
	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 Investments - corporate stock STMT 5	15,245,474.	16,292,141.	17,048,656.
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶ RECEIVABLE)	44,390.	66,950.	66,950.	
16 Total assets (to be completed by all filers)	15,676,090.	16,689,479.	17,445,994.	
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			
	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 ▶ ☒ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	15,676,090.	16,689,479.	
	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	15,676,090.	16,689,479.	
31 Total liabilities and net assets/fund balances	15,676,090.	16,689,479.		

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	15,676,090.
2 Enter amount from Part I, line 27a	2	1,013,389.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	16,689,479.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	16,689,479.

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Part IV Capital Gains and Losses for Tax on Investment Income

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 2,230,316.		2,911,173.	<680,857.>

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			<680,857.>

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	<680,857.>
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) If (loss), enter -0- in Part I, line 8	3	N/A

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	5,394,304.	13,745,191.	.392450
2008	2,132,722.	24,451,215.	.087224
2007	1,659,130.	28,519,563.	.058175
2006	1,157,280.	27,634,860.	.041878
2005	958,620.	22,523,502.	.042561

2 Total of line 1, column (d)	2	.622288
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	.124458
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	15,190,574.
5 Multiply line 4 by line 3	5	1,890,588.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,021.
7 Add lines 5 and 6	7	1,893,609.
8 Enter qualifying distributions from Part XII, line 4	8	1,069,722.

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.

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 ☐ and enter "N/A" on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)	1	6,041.
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ 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	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	6,041.
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	6,041.
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	5,664.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	377.
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	6,041.
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	0.
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?		X
1b 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
1c 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. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		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) ☐ NV		
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

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Part VII-A Statements Regarding Activities (continued)

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 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? Website address ▶ N/A	13	X	
14	The books are in care of ▶ CHERYL WHITAKER Telephone no ▶ 775/348-1844 Located at ▶ PO BOX 6448, RENO, NV ZIP+4 ▶ 89513			
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 N/A			
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? 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 ▶	16	Yes	No X

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)? Organizations relying on a current notice regarding disaster assistance check here N/A ▶ ☐	1b	
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?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 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 ▶		
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 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 ▶		
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	
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

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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

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
CHARLES N. MATHEWSON				
	0.00	0.	0.	0.
SCHEDULE ATTACHED				
	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

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see 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	14,968,091.
b	Average of monthly cash balances	1b	453,812.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	15,421,903.
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	15,421,903.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	231,329.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	15,190,574.
6	Minimum investment return. Enter 5% of line 5	6	759,529.

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)

1	Minimum investment return from Part X, line 6	1	759,529.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	6,041.
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	6,041.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	753,488.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	753,488.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	753,488.

Part XII Qualifying Distributions (see 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	1,069,722.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
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	1,069,722.
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	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,069,722.

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

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				753,488.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				487,780.
e From 2009				4,715,716.
f Total of lines 3a through e	5,203,496.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 1,069,722.				
a Applied to 2009, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				753,488.
e Remaining amount distributed out of corpus	316,234.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	5,519,730.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount - see instr			0.	
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)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	5,519,730.			
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				487,780.
d Excess from 2009				4,715,716.
e Excess from 2010				316,234.

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

N/A

- 1 a 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(i)(3) or ☐ 4942(i)(5)

2 a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
		(a) 2010	(b) 2009	(c) 2008	(d) 2007	
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 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))

CHARLES N. MATHEWSON

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

NONE

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

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see 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

CHARLES N. MATHEWSON, 775-348-1844
PO BOX 6448, RENO, CA 89513

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

THE CHARLES N. MATHEWSON FOUNDATION - APPLICATION FOR GRANT FORMS

- c Any submission deadlines**

NONE

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

NONE

Part XVI-A **Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount		
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						4.
4 Dividends and interest from securities						320,694.
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						<680,857.>
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.		0.		<360,159.>
13 Total. Add line 12, columns (b), (d), and (e)					13	<360,159.>

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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	8000 SH SUNTRUST BANK	P	02/08/06	11/29/10
b	4000 SH RESEARCH IN MOTION	P	01/07/08	11/29/10
c	15000 SH INT'L GAME TECHNOLOGY	P	12/26/02	02/01/10
d	15000 SH INT'L GAME TECHNOLOGY	P	12/26/02	11/29/10
e	563522 SH AVANTAIR INC	P	06/14/10	11/29/10
f	200 SH APPOLLO COMMERCIAL RE FINANCE	P	10/08/10	11/29/10
g	SYNTAX BRILLIAN SETTLEMENT FUND	P		
h	WORLDCOM SETTLEMENT FUND	P		
i				
j				
k				
l				
m				
n				
o				

(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 188,390.		560,361.	<371,971.>
b 233,229.		407,762.	<174,533.>
c 284,990.		68,250.	216,740.
d 231,589.		68,250.	163,339.
e 1,275,685.		1,803,270.	<527,585.>
f 3,196.		3,280.	<84.>
g 11,047.			11,047.
h 2,190.			2,190.
i			
j			
k			
l			
m			
n			
o			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col. (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a			<371,971.>
b			<174,533.>
c			216,740.
d			163,339.
e			<527,585.>
f			<84.>
g			11,047.
h			2,190.
i			
j			
k			
l			
m			
n			
o			

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	<680,857.>
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) If (loss), enter "-0-" in Part I, line 8 }	3	N/A

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
WELLS FARGO BANK	4.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	4.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
BAIRD	320,694.	0.	320,694.
TOTAL TO FM 990-PF, PART I, LN 4	320,694.	0.	320,694.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	12,245.	12,245.		12,245.
TO FORM 990-PF, PG 1, LN 16B	12,245.	12,245.		12,245.

FORM 990-PF OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	6,387.	6,387.		6,387.
TO FORM 990-PF, PG 1, LN 23	6,387.	6,387.		6,387.

FORM 990-PF

CORPORATE STOCK

STATEMENT 5

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MARKETABLE SECURITIES	16,292,141.	17,048,656.
TOTAL TO FORM 990-PF, PART II, LINE 10B	16,292,141.	17,048,656.

CHARLES N. MATHEWSON FOUNDATION
PART XV GRANTS AND CONTRIBUTIONS PAID DURING YEAR
2010

1	Sacred Heart Nativity School 310 Edwards San Jose, CA 95110	15,000
2	Nevada Discovery Museum 490 S. Center Street Reno, NV 89501	250,000
3	Nevada Arts Council 2755 E. Desert Inn Rd., Suite 160 Las Vegas, NV 89121	9,000
4	Nevada Arts Council 2755 E. Desert Inn Rd., Suite 160 Las Vegas, NV 89121	4,500
5	Childhelp 15757 North 78th Street Scottsdale, AZ 85260	5,000
6	Milken Family Foundation 8601 Scholar Lane Las Vegas, NV 89128	25,000
7	George W. Bush Presidential Center P O Box 600610 Dallas, TX 75206	10,000
8	The Andre Agassi Foundation for Education 3883 Howard Hughes Parkway, 8th Floor Las Vegas, NV 89169	70,480
9	The Heritage Foundation 214 Massachusetts Ave, NE Washington, DC 20002	10,000
10	Nevada Museum of Art 160 West Liberty Street Reno, NV 89501	1,250
11	University of Nevada Reno Foundation 127 Mackay Science/162 Reno, NV 89557	25,000
12	The National World War II Museum 945 Magazine Street New Orleans, LA 70130	50,000
13	St. Mary's Interfaith Community Services 11292 North Alpine Road Stockton, CA 95212	50
14	College Recovery Community Inc 43725 Monterey Avenue, Suite G Palm Desert, CA 92260	50,000

A. None of the above contributions are to individuals

B. All of the above are public charities, which are unrelated to this foundation

C. All of the above contributions are unrestricted and may be used by the recipient for the purpose for which the charity was created

CHARLES N. MATHEWSON FOUNDATION
PART XV GRANTS AND CONTRIBUTIONS PAID DURING YEAR
2010

15	California Restaurant Association Educational Fund 621 Capitol Mall, Suite 2000 Sacramento, CA 95814	25,000
16	Nevada Policy Research Institute 3155 E. Patrick Lane, Suite 10 Las Vegas, NV 89120	1,000
17	Whittemore Peterson Institute 6600 N. Wingfield Parkway Sparks, NV 89436	5,000
18	Rebel Golf Foundation 4505 Maryland Pkwy Las Vegas, NV 89154	25,000
19	National MS Society 5950 La Place Court, Suite 200 Carlsbad, CA 92008	1,000
20	Hoag Hospital Foundation One Hoag Drive, PO Box 6100 Newport Beach, CA 92658	50,000
21	Keep Memory Alive 888 West Bonneville Avenue Las Vegas, NV 89106	49,000
22	The Andre Agassi Foundation for Education 3883 Howard Hughes Parkway, 8th Floor Las Vegas, NV 89169	75,000
23	Parasol Tahoe Community Foundation 948 Incline Way Incline Village, NV 89451	5,000
24	KNPB Public Broadcasting 1670 N. Virginia Street Reno, NV 89503	1,360
25	The Beneto Foundation 4080 Seaport Blvd West Sacramento, CA 95691	2,000
26	Loyola Marymount University 1 LMU Drive, Suite 2800 Los Angeles, CA 90045	5,000
27	Reno Youth Bridge 6005 Lake Geneva Drive Reno, NV 89511	15,000
28	Autism Speaks 6110 E. Caballo Lane Paradise Valley, AZ 85253	1,000

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CHARLES N MATHEWSON FOUNDATION
PART XV GRANTS AND CONTRIBUTIONS PAID DURING YEAR
2010

29	St Mary's Foundation 520 W 6th Street Reno, NV 89503	25,000
30	The Andre Agassi Foundation for Education 3883 Howard Hughes Parkway, 8th Floor Las Vegas, NV 89169	125,000
31	Youth Charities of Southern Nevada P O Box 46232 Las Vegas, NV 89114	250
32	Grand Charities 780 Lakefield Rd , Suite 6 Westlake Village, CA 91361	10,000
33	UNR Board of Regents Morrill Hall/162 Reno, NV 89557	100
34	College Recovery Community Inc 43725 Monterey Avenue, Suite G Palm Desert, CA 92260	25,000
35	Keep Memory Alive 9101 West Sahara Avenue PMB 105-177 Las Vegas, NV 89117-5772	66,600
36	American Lung Association in Nevada 10615 Double R Blvd Reno, NV 89521	4,500
37	South Reno Baptist Church/Veterans Outreach Program 6780 South McCarran Blvd Reno, NV 89509	5,000
38	International Baccalaureate Parents Association 28545 Driver Avenue Agoura Hills, CA 91301	2,000
39	Scripps Health Foundation P O Box 2669 La Jolla, Ca 92038	2,000
40		
41		
		<u>1,051,090</u>
42		

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C All of the above contributions are unrestricted and may be used by the recipient for the purpose for which the charity was created

CHARLES N. MATHEWSON FOUNDATION
2010

PART VIII

COLUMN (a)	COLUMN (b)	COLUMN (c)	COLUMN (d)	COLUMN (e)
TRUSTEES				
CHARLES N. MATHEWSON P.O BOX 6448 RENO, NV 89513	NONE	NONE	NONE	NONE
JOHN RUSSELL 1604 KESTREL COURT RENO, NV 89509	NONE	NONE	NONE	NONE
CHARLTON REED BINGHAM 2521 LAKERIDGE SHORES CR RENO, NV 89509	NONE	NONE	NONE	NONE
OFFICER & EXECUTIVE ADVISORY COMMITTEE				
CHARLES N. MATHEWSON P.O BOX 6448 RENO, NV 89513 PRESIDENT, SECRETARY & MEMBER OF EXECUTIVE ADVISORY COMMITTEE	NONE	NONE	NONE	NONE
CURTIS N MATHEWSON P O BOX 6448 RENO, NV 89513 VICE PRESIDENT & MEMBER OF EXECUTIVE ADVISORY COMMITTEE	NONE	NONE	NONE	NONE
RAY ZIMMERMAN 7535 NORTH SAN MANUEL SCOTTSDALE, AZ 85258 TREASURER	NONE	NONE	NONE	NONE
PAULINA G MATHEWSON P O BOX 6448 RENO, NV 89513 ASSISTANT SECRETARY & MEMBER OF EXECUTIVE ADVISORY COMMITTEE	NONE	NONE	NONE	NONE
ROBERT A MATHEWSON P O BOX 6448 RENO, NV 89513 ASSISTANT TREASURER & MEMBER OF EXECUTIVE ADVISORY COMMITTEE	NONE	NONE	NONE	NONE
EASTER MATHEWSON P O BOX 6448 RENO, NV 89513 ASSISTANT SECRETARY	NONE	NONE	NONE	NONE