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

OMB No 1545-0052

**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 **APR 1, 2010**, and ending **MAR 31, 2011**

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

Name of foundation <b>MCMAHON FOUNDATION</b>		A Employer identification number <b>73-0664314</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>P.O. BOX 2156</b>	Room/suite	B Telephone number <b>(580) 355-4622</b>
City or town, state, and ZIP code <b>LAWTON, OK 73502</b>		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) <b>\$ 56,662,417.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
(Part I, column (d) must be on cash basis.)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received					
2 Check <input checked="" type="checkbox"/> If the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		27,497.	27,497.	27,497.	STATEMENT 1
4 Dividends and interest from securities		1,325,098.	1,325,098.	1,325,098.	STATEMENT 2
5a Gross rents		8,400.	8,400.	8,400.	STATEMENT 3
b Net rental income or (loss) <b>8,400.</b>					
6a Net gain or (loss) from sale of assets not on line 10		1,740,048.			
b Gross sales price for all assets on line 6a <b>16,921,762.</b>					
7 Capital gain net income (from Part IV, line 2)			1,740,048.		
8 Net short-term capital gain				N/A	
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		480,558.	480,558.	0.	STATEMENT 4
12 Total. Add lines 1 through 11		3,581,601.	3,581,601.	1,360,995.	
13 Compensation of officers, directors, trustees, etc.		63,083.	47,312.	47,312.	15,771.
14 Other employee salaries and wages		60,722.	20,325.	20,325.	40,397.
15 Pension plans, employee benefits		3,617.	2,532.	2,532.	1,085.
16a Legal fees					
b Accounting fees <b>STMT 5</b>		21,485.	21,485.	21,485.	0.
c Other professional fees <b>STMT 6</b>		113,389.	113,389.	113,389.	0.
17 Interest					
18 Taxes <b>STMT 7</b>		80,609.	26,669.	26,669.	3,941.
19 Depreciation and depletion		7,121.	156.	156.	
20 Occupancy		47,340.	0.	0.	47,340.
21 Travel, conferences, and meetings		3,880.	0.	0.	0.
22 Printing and publications					
23 Other expenses <b>STMT 8</b>		15,937.	12,643.	12,643.	3,294.
24 Total operating and administrative expenses. Add lines 13 through 23		417,183.	244,511.	244,511.	111,828.
25 Contributions, gifts, grants paid		2,311,906.			2,311,906.
26 Total expenses and disbursements. Add lines 24 and 25		2,729,089.	244,511.	244,511.	2,423,734.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		852,512.			
b Net investment income (if negative, enter -0-)			3,337,090.		
c Adjusted net income (if negative, enter -0-)				1,116,484.	

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12-07-10

LHA For Paperwork Reduction Act Notice, see the instructions.

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28146

Part II Balance Sheets		Beginning of year		End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1 Cash - non-interest-bearing	200.	200.	200.	
	2 Savings and temporary cash investments	3,670,335.	2,240,450.	2,240,450.	
	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	1,439.			
	10a Investments - U.S. and state government obligations STMT 9	8,105,257.	6,002,900.	6,302,515.	
	b Investments - corporate stock STMT 10	33,907,387.	37,482,678.	41,385,378.	
	c Investments - corporate bonds STMT 11	3,162,817.	3,956,544.	3,999,312.	
11 Investments - land, buildings, and equipment, basis ▶ 66,100.					
Less: accumulated depreciation ▶	66,100.	66,100.	200,000.		
12 Investments - mortgage loans					
13 Investments - other STMT 12	44,514.	44,359.	910,625.		
14 Land, buildings, and equipment, basis ▶ 590,746.					
Less: accumulated depreciation ▶ 377,980.	195,209.	212,766.	1,532,928.		
15 Other assets (describe ▶ JEWELRY)	6,290.	6,290.	91,009.		
16 Total assets (to be completed by all filers)	49,159,548.	50,012,287.	56,662,417.		
Liabilities	17 Accounts payable and accrued expenses	3,760.	3,988.		
	18 Grants payable	509,206.	126,440.		
	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)	512,966.	130,428.			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted	38,132,869.	39,269,827.		
	25 Temporarily restricted				
	26 Permanently restricted	10,513,713.	10,612,032.		
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> 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	48,646,582.	49,881,859.		
	31 Total liabilities and net assets/fund balances	49,159,548.	50,012,287.		

## 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	48,646,582.
2 Enter amount from Part I, line 27a	2	852,512.
3 Other increases not included in line 2 (itemize) ▶ DECREASE IN GRANTS PAYABLE	3	382,765.
4 Add lines 1, 2, and 3	4	49,881,859.
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	49,881,859.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
<b>1a CAPITAL GAINS/LOSSES-SEE SUPPORTING</b>				
<b>b STATEMENTS</b>		<b>P</b>	<b>VARIOUS</b>	<b>VARIOUS</b>
<b>c</b>				
<b>d</b>				
<b>e</b>				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
<b>a</b>			
<b>b</b> 16,921,762.		15,181,714.	1,740,048.
<b>c</b>			
<b>d</b>			
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(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	
<b>a</b>			
<b>b</b>			1,740,048.
<b>c</b>			
<b>d</b>			
<b>e</b>			

<b>2</b> Capital gain net income or (net capital loss) <span style="font-size: 2em; vertical-align: middle;">{</span> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	1,740,048.
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8		3	1,740,048.

**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	2,547,608.	48,114,761.	.052949
2008	2,682,837.	50,989,169.	.052616
2007	1,878,848.	56,208,194.	.033427
2006	3,134,686.	56,048,633.	.055928
2005	2,542,816.	51,498,589.	.049376

<b>2</b> Total of line 1, column (d)	.244296
<b>3</b> Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	.048859
<b>4</b> Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	51,401,461.
<b>5</b> Multiply line 4 by line 3	2,511,424.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	33,371.
<b>7</b> Add lines 5 and 6	2,544,795.
<b>8</b> Enter qualifying distributions from Part XII, line 4	2,423,734.

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 <input type="checkbox"/> 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 <input type="checkbox"/> and enter 1% of Part I, line 27b		1	66,742.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		2	0.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		3	66,742.
3 Add lines 1 and 2		4	0.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		5	66,742.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	67,183.	
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	67,183.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	441.	
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> 441. Refunded <input type="checkbox"/>	11	0.	

**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. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	2	X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3	X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	X
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
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 instructions) <input type="checkbox"/> OK		
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)? 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

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 ► MICHAEL R. DIXON Telephone no ► 580-355-4622 Located at ► 714-716 AVENUE C LAWTON, OK ZIP+4 ► 73501			
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 ► <input type="checkbox"/>	1b	X
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

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

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

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

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b

X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 13		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
MICHAEL R. DIXON - 307 NW RIDGEVIEW WAY, LAWTON, OK 73505	EXECUTIVE DIRECTOR 40.00	63,083.	1,860.	0.

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

0

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**Part VIII****Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
BESSEMER TRUST 630 FIFTH AVENUE, NEW YORK, NY 10111	INVESTMENT COUNSEL	113,389.

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

0

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

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 SEE STATEMENT 15	
	0.
2	
3	
4	

**Part IX-B** Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
	0.
2	
3 All other program-related investments. See instructions.	
<b>Total.</b> Add lines 1 through 3	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	48,194,578.
b	Average of monthly cash balances	1b	2,782,012.
c	Fair market value of all other assets	1c	1,207,634.
d	Total (add lines 1a, b, and c)	1d	52,184,224.
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	52,184,224.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	782,763.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	51,401,461.
6	Minimum investment return. Enter 5% of line 5	6	2,570,073.

**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	2,570,073.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	66,742.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	66,742.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,503,331.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2,503,331.
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	2,503,331.

**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	2,423,734.
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	2,423,734.
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	2,423,734.

**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.

Form 990-PF (2010)

**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				2,503,331.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			2,306,608.	
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				
e From 2009				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ 2,423,734.				
a Applied to 2009, but not more than line 2a			2,306,608.	
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				117,126.
e Remaining amount distributed out of corpus	0.			
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:	0.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
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				2,386,205.
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	0.			
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				

**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(j)(3) or ☐ 4942(j)(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

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

Tax year

(a) 2010

(b) 2009

Prior 3 years

(c) 2008

(d) 2007

(e) Total

**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).)

NONE

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

NONE

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

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

MICHAEL R. DIXON, P.O. BOX 2156, LAWTON, OK. 73502, (580)355-4622

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

NATURE OF THE ORGANIZATION AND THE PURPOSE OF THE GRANT REQUEST.

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:

NO GRANTS MADE OUTSIDE THE STATE OF OKLAHOMA.

**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
<b>a Paid during the year</b> <b>SEE STATEMENT 15</b>				
<b>Total</b>			<b>▶ 3a</b>	<b>0.</b>
<b>b Approved for future payment</b> <b>SEE STATEMENT 16</b>				
<b>Total</b>			<b>▶ 3b</b>	<b>0.</b>



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


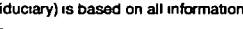
		Yes	No
<b>1</b>	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
<b>a</b>	Transfers from the reporting foundation to a noncharitable exempt organization of:		
	(1) Cash	<b>1a(1)</b>	<b>X</b>
	(2) Other assets	<b>1a(2)</b>	<b>X</b>
<b>b</b>	Other transactions:		
	(1) Sales of assets to a noncharitable exempt organization	<b>1b(1)</b>	<b>X</b>
	(2) Purchases of assets from a noncharitable exempt organization	<b>1b(2)</b>	<b>X</b>
	(3) Rental of facilities, equipment, or other assets	<b>1b(3)</b>	<b>X</b>
	(4) Reimbursement arrangements	<b>1b(4)</b>	<b>X</b>
	(5) Loans or loan guarantees	<b>1b(5)</b>	<b>X</b>
	(6) Performance of services or membership or fundraising solicitations	<b>1b(6)</b>	<b>X</b>
<b>c</b>	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	<b>1c</b>	<b>X</b>
<b>d</b>	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

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

**b** If "Yes," complete the following schedule.

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

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.				
	 Signature of officer or trustee		17/12/2011 Date		Charles S. Graybill, M.D., Ret. Chairman Title
Paid Preparer Use Only	Print/Type preparer's name Gary A. Davidson		Preparer's signature 		Date 7-8-11
	Check <input type="checkbox"/> if self-employed				PTIN
	Firm's name ▶ DAVIDSON FREEDLE ESPENHOVER & OVERBY, P				Firm's EIN ▶
Firm's address ▶ 222 SIDNEY BAKER SOUTH, SUITE 635 KERRVILLE, TX 78028				Phone no. 830-896-1100	

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

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SOURCE	AMOUNT
INTEREST INCOME	27,497.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	27,497.

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FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
PRIMARILY BESSEMER TRUST	1,325,098.	0.	1,325,098.
TOTAL TO FM 990-PF, PART I, LN 4	1,325,098.	0.	1,325,098.

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FORM 990-PF RENTAL INCOME STATEMENT 3

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KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
RENTAL INCOME	1	8,400.
TOTAL TO FORM 990-PF, PART I, LINE 5A		8,400.

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FORM 990-PF OTHER INCOME STATEMENT 4

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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OIL & GAS	480,558.	480,558.	480,558.
TOTAL TO FORM 990-PF, PART I, LINE 11	480,558.	480,558.	480,558.

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FORM 990-PF	ACCOUNTING FEES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DAVIDSON, FREEDLE, ESPENHOVER & OVERBY, P.C., AUDITING & 990PF	21,485.	21,485.	21,485.	0.
TO FORM 990-PF, PG 1, LN 16B	21,485.	21,485.	21,485.	0.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BESSEMER TRUST MANAGEMENT FEES	113,389.	113,389.	113,389.	0.
TO FORM 990-PF, PG 1, LN 16C	113,389.	113,389.	113,389.	0.

FORM 990-PF	TAXES			STATEMENT 7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
AD VALOREM TAXES	21,032.	26,669.	26,669.	3,941.
PAYROLL TAXES	9,470.	0.	0.	0.
FEDERAL EXCISE TAXES	50,000.	0.	0.	0.
STATE UNEMPLOYMENT TAXES	107.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	80,609.	26,669.	26,669.	3,941.



FORM 990-PF	OTHER EXPENSES			STATEMENT 8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MISCELLANEOUS	15,937.	12,643.	12,643.	3,294.
TO FORM 990-PF, PG 1, LN 23	15,937.	12,643.	12,643.	3,294.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS			STATEMENT 9
DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
SEE INVESTMENTS SUPPORTING SCHEDULE	X		6,002,900.	6,302,515.
TOTAL U.S. GOVERNMENT OBLIGATIONS			6,002,900.	6,302,515.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			6,002,900.	6,302,515.

FORM 990-PF	CORPORATE STOCK		STATEMENT 10
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
SEE INVESTMENTS SUPPORTING SCHEDULE	37,482,678.	41,385,378.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	37,482,678.	41,385,378.	

FORM 990-PF	CORPORATE BONDS		STATEMENT 11
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
SEE INVESTMENTS SUPPORTING SCHEDULE	3,956,544.	3,999,312.	
TOTAL TO FORM 990-PF, PART II, LINE 10C	3,956,544.	3,999,312.	

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	12
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
OIL & GAS PROPERTY	COST	44,359.	910,625.
TOTAL TO FORM 990-PF, PART II, LINE 13		44,359.	910,625.

FORM 990-PF	PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS	STATEMENT	13
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DR. CHARLES GRAYBILL 116 N.W. 36TH LAWTON, OK 73505	CHAIRMAN 0.00	0.	0.	0.
KENNETH BRIDGES 3304 BALTIMORE LAWTON, OK 73505	VICE CHAIRMAN 0.00	0.	0.	0.
GALE SADLER 327 N.W. 35TH LAWTON, OK 73505	SEC./TREAS. 0.00	0.	0.	0.
KENNETH EASTON 715 N.W. 46TH LAWTON, OK 73505	TRUSTEE 0.00	0.	0.	0.
RONALD E. CAGLE, M.D. 3501 N.W. RIDGEROAD PL. LAWTON, OK 73505	TRUSTEE 0.00	0.	0.	0.
MICHAEL MAYHALL LAWTON, OK 73505	TRUSTEE 0.00	0.	0.	0.
ORVILLE D. SMITH 8003 N.W. ALDWICK LAWTON, OK 73505	TRUSTEE 0.00	0.	0.	0.
MICHAEL R. DIXON 307 NW RIDGEVIEW WAY LAWTON, OK 73505	EXECUTIVE DIRECTOR 40.00	63,083.	1,850.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		63,083.	1,850.	0.

THE MCMAHON FOUNDATION  
March 31, 2011  
Grants Paid During the Year

NAME & ADDRESS	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
Arts For All, Inc. PO Box 592 Lawton, OK 73502	Public charity	Support community arts	20,000.00
Boy Scouts of America Last Frontier Council 3031 NW 64th Street Oklahoma City, OK 73116	Public charity	Support youth programs	1,500.00
Cameron University 2800 W. Gore Blvd. Lawton, OK 73505	Tax exempt	Capital improvements & scholarships	1,055,000.00
Cameron University Foundation 2800 W Gore Blvd Lawton, OK 73505	Public foundation 23-7168952	Support special program	10,000.00
Cancer Centers of SW Oklahoma PO Box 129 Lawton, OK 73502	Public charity	Support special program	5,000.00
Comanche County Saddle & Sirlain Club PO Box 2009 Lawton, OK 73502	Public charity	Support youth programs	4,000.00
Comanche Co Fairgrounds Trust Auth. 920 S Sheridan Road Lawton, OK 73505	Tax exempt	Capital improvements	82,500 00
Friends of Fort Sill c/o Gene Love 608 SW D Avenue, Suite 1 Lawton, OK 73501	Public charity	Support museum	300,000.00
Great Plains Technology Center 4500 W Lee Blvd Lawton, OK 73505	Tax exempt	Support student competition	10,000.00
Great Plains Technology Ctr Found. 4500 W. Lee Blvd Lawton, OK 73505	Public foundation 73-1108753	Scholarships	47,765.80
Habitat for Humanity 1006 SW E Avenue Lawton, OK 73501	Public charity	Construction supplies	24,000.00

STATEMENT 15

THE MCMAHON FOUNDATION

March 31, 2011

Grants Paid During the Year

NAME & ADDRESS	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
Lawton Area Reading Council c/o Ashley Ghrayyeb, President 4411 NW Wolfcreek Blvd. Lawton, OK 73505	Public charity	Support special program	5,000.00
Lawton Arts & Humanities Council PO Box 1054 Lawton, OK 73502	Tax exempt	Support special program	3,000.00
Lawton Metropolitan Area Airport Auth PO Box 531 Lawton, OK 73502	Tax exempt	Capital improvements	100,000.00
Lawton Philharmonic Society PO Box 1473 Lawton, OK 73502	Public charity	Support	21,940.00
Lawton Public Schools PO Box 1009 Lawton, OK 73502	Tax exempt	Support special programs and capital improvements	355,000.00
Lawton Schubert Music Club 513 NW Arlington Lawton, OK 73501	Public charity	Music camp scholarships	1,200.00
Museum of the Great Plains 601 NW Ferris Lawton, OK 73507	Tax exempt	Support special project	2,000.00
On the Chisholm Trail Association 1000 Chisholm Trail Parkway Duncan, OK 73533	Public charity	Support specail program	6,000.00
Regional Food Bank of Oklahoma PO Box 270968 Oklahoma City, OK 73137-9068	Public charity	Support special program	2,000.00
Robert E Greiner School PO Box 45 Lawton, OK 73502	Public charity	Emergency facility repairs	10,000.00
United Way of Lawton-Ft. Sill 1118 SW A Avenue Lawton, OK 73501	Public charity	Annual support	51,000.00

STATEMENT 15

THE MCMAHON FOUNDATION

March 31, 2011

Grants Paid During the Year

NAME & ADDRESS	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
University of Oklahoma Foundation 100 Timberdell Rd Norman, OK 73019	Public foundation 73-6091755	Scholarships	195,000.00
Total			<u>2,311,905.80</u>

THE MCMAHON FOUNDATION  
March 31, 2011  
Grants Contributions Approved for Future Payments

NAME & ADDRESS	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
Cameron University 2800 W Gore Blvd. Lawton, OK 73505	Tax exempt	Scholarships	105,000.00
Great Plains Technology Ctr Found 4500 W Lee Blvd Lawton, OK 73505	Public foundation 73-1108753	Scholarships	21,440.22
Total			<u>\$ 126,440.22</u>

THE MCMAHON FOUNDATION  
FORM 990-PF, PART 1, LINE 19

73-0664314

DEPRECIATION & DEPLETION

<u>DESCRIPTION</u>	<u>ACQUIRED</u>	<u>COST</u>	<u>METHOD</u>	<u>PRIOR YEARS' DEPREC.</u>	<u>RATE OR LIFE</u>	<u>2010 DEPREC.</u>
AUTO	9/12/1997	24,310	SL	24,310	5	
FOUNDATION BUILDING	VARIOUS	157,884	SL	129,854	50	2,158
BUILDING, FURNITURE & EQUIPMENT	VARIOUS	225,407	SL	201,879	5-10	3,579
OFFICE FURNITURE & EQUIPMENT	VARIOUS	20,505	SL	14,972	5-10	1228
LAND	VARIOUS	<u>162,640</u>	L	<u>          </u>		<u>          </u>
TOTAL DEPRECIABLE ASSETS		<u>590,746</u>		<u>371,015</u>		<u>6,965</u>

DEPLETABLE ASSETS

OIL AND GAS ROYALTIES	<u>685,254</u>	COST	<u>640,740</u>	<u>156</u>
	<u>1,276,000</u>		<u>1,011,755</u>	<u>7,121</u>

THE MCMAHON FOUNDATION  
FORM 990-PF

73-0664314

LAND, BUILDINGS, AND EQUIPMENT, PART II, LINE 14

<u>ASSET</u>	<u>COST</u>	<u>ACCUM. DEPREC.</u>	<u>BOOK VALUE</u>
BUILDING	157,884	132,012	25,872
FURNITURE & FIXTURES	225,407	205,458	19,949
OFFICE FURNITURE & FIXTURES	20,505	16,200	4,305
REAL ESTATE	155,437	0	155,437
REAL ESTATE - LOT 26	7,203	0	7,203
AUTO	24,310	24,310	0
TOTAL	590,746	377,980	212,766



THE McMAHON FOUNDATION

SUPPLEMENTAL SCHEDULE OF GAINS AND LOSSES ON SALES OF STOCKS AND BONDS (MODIFIED CASH BASIS)  
FOR THE YEAR ENDED MARCH 31, 2011

	SHARES, PRINCIPAL, OR UNITS	SALES PRICE	COST	GAIN/ LOSS
Ace, Ltd.	1,550	\$ 97,404	\$ 83,586	\$ 13,818
American Express	7,700	344,812	178,699	166,113
Apache Corporation	3,200	362,189	264,405	97,784
Archer Daniel Midland	2,850	94,748	84,434	10,314
Baxter International	4,875	205,965	293,128	(87,163)
Boeing Company	3,375	241,769	235,947	5,822
Celgene Corp	4,525	262,456	158,719	103,737
Cisco Systems, Inc	19,900	442,566	309,628	132,938
Disney	5,125	202,034	85,813	116,221
Dow Chemical	11,650	268,902	311,604	(42,702)
EMC Corporation	13,800	310,563	202,018	108,545
EOG Resources	2,425	245,554	179,274	66,280
Fedex	2,650	219,714	216,929	2,785
General Electric	7,025	141,483	111,398	30,085
Google	225	139,315	95,155	44,160
Hess Corporation	3,550	279,837	193,109	86,728
Honeywell, Inc.	1,875	104,388	83,222	21,166
Ingersoll-Rand	4,950	231,959	177,107	54,852
International Paper	7,600	197,731	186,496	11,235
Johnson & Johnson	3,500	228,702	200,966	27,736
J.P. Morgan Chase and Co.	2,725	122,953	117,017	5,936
Kraft Foods, Inc	3,025	92,292	93,337	(1,045)
Kohl's Corporation	5,200	271,760	182,183	89,577
Lowes	18,400	469,839	394,023	75,816
Mastercard	375	89,646	85,105	4,541
Microsoft Corp	4,475	128,878	124,828	4,050
Morgan Stanley	3,625	107,332	108,267	(935)
Motorola Mobility Holdings	6,993	166,149	181,335	(15,186)
Motorola Solutions, Inc	5,564	210,766	248,056	(37,290)
National Oilwell Varco	4,100	265,552	176,735	88,817
Old Westbury International Fund	22,099	240,000	252,776	(12,776)
Old Westbury Global Opportunity Fund	59,951	460,000	449,036	10,964
Old Westbury Global Small Cap Fund	167,022	2,200,000	1,787,875	412,125
Paychex	10,475	271,256	325,332	(54,076)
Pfizer	10,300	181,739	177,864	3,875
PG & E Corp	6,250	274,142	294,141	(19,999)
PNC Financial Services	3,675	194,449	226,406	(31,957)
Proctor & Gamble	1,475	94,221	101,422	(7,201)
Qualcomm, Inc	1,550	85,108	64,518	20,590
Staples, Inc	14,550	295,577	355,141	(59,564)
Teva Pharmaceuticals	1,825	101,651	86,042	15,609
T Rowe Price	7,875	490,713	343,588	147,125
Tyco International, Ltd.	9,375	349,173	329,170	20,003
Union Pacific	3,600	273,516	187,764	85,752
Walgreen	7,900	221,549	264,042	(42,493)
Wal-Mart	3,700	206,622	181,374	25,248

SUPPORTING SCHEDULE  
CAPITAL GAINS AND LOSSES

THE McMAHON FOUNDATION

SUPPLEMENTAL SCHEDULE OF GAINS AND LOSSES ON SALES OF STOCKS AND BONDS (MODIFIED CASH BASIS)  
FOR THE YEAR ENDED MARCH 31, 2011

	SHARES, PRINCIPAL, OR UNITS	SALES PRICE	COST	GAIN/ LOSS
Weatherford Intl , Ltd	15,225	241,935	286,637	(44,702)
USTN 2.375%, 3-31-16	625,000	634,004	633,531	473
FHLB 3 25%, 9-12-14	200,000	211,714	206,251	5,463
FHLB 4 75%, 12-9-11	375,000	389,201	373,764	15,437
FHLB 5%, 9-9-11	900,000	934,726	899,785	34,941
FHLB 5.125%, 9-10-10	1,530,000	1,540,007	1,530,184	9,823
FHLB 5 25%, 9-10-10	500,000	520,575	501,191	19,384
GE Capital 1.625%, 1-7-11	251,197	251,198	249,929	1,269
		\$ 17,210,334	\$ 15,470,286	\$ 1,740,048

THE McMAHON FOUNDATION

SUPPLEMENTAL SCHEDULE OF UNITED STATES GOVERNMENT OBLIGATIONS (MODIFIED CASH BASIS)  
FOR THE YEAR ENDED MARCH 31, 2011

Treasury Notes	Balance, March 31, 2010		Change In Inflation Adjusted		Purchased		Discount (Premium) Amortization	Matured/Sold		Balance, March 31, 2011		Approximate Market Value	Interest Received Year Ended March 31, 2011
	Principal		Principal		Principal			Principal		Principal			
	Cost		Cost		Cost			Cost		Cost			
3%, inflation indexed, 7/15/12	\$ 421,757	\$ 421,757	\$ 6,864				\$ 6,864			\$ 428,621	\$ 428,621	\$ 459,091	\$ 12,755
3 375%, inflation indexed, 4/15/32	549,288	549,288	8,937				8,937			558,225	558,225	718,804	18,604
	\$ 971,045	\$ 971,045	\$ 15,801	\$ -	\$ -	\$ -	\$ 15,801	\$ -	\$ -	\$ 986,846	\$ 986,846	\$ 1,177,895	\$ 31,359
Federal Home Loan Mortgage and Farm Credit													
2 375%, 3/31/16	\$ 950,000	\$ 934,565		\$ 2,000,000	\$ 2,055,703	\$ (1,716)		\$ 625,000	\$ 633,531	\$ 2,325,000	\$ 2,355,021	\$ 2,341,158	\$ 50,956
2 75%, 3/13/15	300,000	300,103				(21)		200,000	206,251	300,000	300,083	309,030	8,869
3 25%, 9/12/14	500,000	515,627				(6,251)		375,000	373,764	0	0	315,513	15,510
4 75%, 12/9/11	375,000	373,764						900,000	899,786	0	0	990,972	20,385
4 75%, 12/12/14	900,000	955,054				(11,590)		1,530,000	1,530,186	0	0	1,167,947	42,750
5 0%, 9/9/11	900,000	899,786						500,000		4,925,000	5,016,054	5,124,620	29,869
5 0%, 9/14/12	1,100,000	1,123,934				(9,574)				0	0	0	55,000
5 125%, 9/10/10	1,530,000	1,530,186								0	0	0	28,726
5 25%, 6/10/11	500,000	501,192								0	0	0	17,208
	\$ 7,055,000	\$ 7,134,212		\$ 2,000,000	\$ 2,055,703	\$ (29,152)		\$ 4,130,000	\$ 4,144,710	\$ 4,925,000	\$ 5,016,054	\$ 5,124,620	\$ 269,273

THE McMAHON FOUNDATION

SUPPLEMENTAL SCHEDULE OF CORPORATE AND GOVERNMENT BONDS (MODIFIED CASH BASIS)  
FOR THE YEAR ENDED MARCH 31, 2011

	Balance, March 31, 2010		Purchased		Discount (Premium) Amortization	Matured		Balance, March 31, 2011		Approximate Market Value	Interest Received Year Ended March 31, 2011
	Principal	Cost	Principal	Cost		Principal	Cost	Principal	Cost		
Bank of America	\$ 200,000	\$ 199,798	\$ 200,000	\$ 199,742	40			\$ 200,000	\$ 199,838	\$ 207,682	\$ 5,000
Bank of New York Mellon					49			200,000	199,791	\$ 203,684	2,950
Bank of New York Mellon	192,000	203,486			(2,757)			192,000	200,729	205,885	7,912
Boeing Capital	200,000	202,135			(466)			200,000	201,669	208,866	5,904
Credit Suisse USA	200,000	213,910			(3,629)			200,000	210,282	216,748	10,250
Duetsche Bank	175,000	174,697			61			175,000	174,758	178,923	6,038
El Lilly & Co	200,000	212,402			(3,101)			200,000	209,302	214,388	8,400
Finova Capital	48,505	50,629						48,429	50,553	48	
General Electric	280,000	279,921			8	\$ 76	\$ 76	-	-		3,125
General Electric			250,000	249,878	10	280,000 00	279,929 00	250,000	249,888	250,147	
JP Morgan Chase	150,000	159,267			(2,181)			150,000	157,087	160,327	6,975
Maryland State			230,000	230,000				230,000	230,000	230,324	
Medtronic	200,000	199,982			4			200,000	199,986	205,792	5,983
New York State			225,000	221,643	108			225,000	221,751	222,363	883
Norvartus Capital	200,000	199,044			188			200,000	199,232	204,454	3,512
PNC Funding	200,000	199,599			82			200,000	199,680	206,770	7,049
Province of Ontario			200,000	199,908	14			200,000	199,922	203,816	2,700
Shell International Finance	150,000	158,125			(2,031)			150,000	156,094	160,320	6,000
Tennessee Valley Authority	460,000	489,940			(8,763)			460,000	481,177	498,221	21,850
Wyeth	200,000	219,882			(5,076)			200,000	214,806	220,554	11,000
	\$ 3,055,505	\$ 3,162,817	\$ 1,105,000	\$ 1,101,171	\$ (27,439)	\$ 280,076	\$ 280,005	\$ 3,880,429	\$ 3,956,544	\$ 3,999,312	\$ 115,531

THE MCMAHON FOUNDATION

SUPPLEMENTAL SCHEDULE OF STOCKS AND MUTUAL FUNDS FOR THE YEAR ENDED MARCH 31, 2011 (MODIFIED CASH BASIS)

	<u>BALANCE MARCH 31, 2010</u>		<u>PURCHASED</u>		<u>SOLD</u>		<u>BALANCE MARCH 31, 2011</u>		<u>APPROXIMATE MARKET VALUE MARCH 31, 2011</u>	<u>DIVIDENDS RECEIVED YEAR ENDED MARCH 31, 2011</u>
	<u>SHARES</u>	<u>COST</u>	<u>SHARES</u>	<u>COST</u>	<u>SHARES</u>	<u>COST</u>	<u>SHARES</u>	<u>COST</u>		
<b>STOCKS AND MUTUAL FUNDS</b>										
Ace, Ltd										
American Express	11,400	\$ 240,942	5,700	\$ 307,380	1,550	\$ 83,586	4,150	\$ 223,794	\$ 268,505	\$ 4,670
Apache Corporation	3,200	264,405	2,900	119,379	7,700	178,699	6,600	181,622	298,320	6,732
Apple, Inc										1,920
Archer Daniel Midland			825	292,592	3,200	264,405	825	292,592	287,518	
Baxter International	4,875	293,128	10,400	308,111	2,850	84,434	7,550	223,677	271,875	3,750
Boeing Company	3,375	235,947			4,875	293,128				2,197
Celgene Corp	4,525	158,719			3,375	235,947				4,252
Cisco Systems, Inc	19,900	309,628			4,525	158,719				
Devon Energy Corporation			19,900	309,628						
Disney	11,000	184,184	3,700	319,936			3,700	319,936	339,549	592
Dow Chemical	11,650	311,604			5,125	85,813	5,875	98,371	253,153	4,400
EMC Corporation	18,775	269,127			11,650	311,604				3,495
EOG Resources	2,425	179,274	1,225	25,541	13,800	202,018	6,200	92,650	164,672	
Fedex	2,650	216,929			2,425	179,274				539
Fifth Avenue Global Offshore Fund	364	600,000			2,650	216,929				610
Fifth Avenue Special Situations Fund	270	600,000	1,051	1,690,000			1,415	2,290,000	2,365,947	
Fifth Avenue Value Creation Fund	289	300,000	757	1,695,000			1,027	2,295,000	2,499,950	
General Electric	25,225	399,924	580	615,000			869	915,000	1,030,130	
General Motors			200	3,251			18,400	291,777	368,920	11,459
Google	625	264,320	5,600	190,243	7,025	111,398	5,600	190,243	173,768	
Hess Corporation	5,500	299,183			225	95,155	400	169,165	234,704	
Honeywell, Inc					3,550	193,109	1,950	106,074	166,159	2,045
Imperial Royalties Co, Preferred	10		6,750	299,600	1,875	83,222	4,875	216,378	291,086	5,977
Ingersoll-Rand	9,875	353,320					10	1		
International Paper	16,975	416,527			4,950	177,107	4,925	176,213	237,926	1,935
Johnson & Johnson	3,500	200,966			7,600	186,486	9,375	230,041	282,937	7,030
J P Morgan Chase and Co	8,800	377,891			3,500	200,966				
Kraft Foods, Inc					2,725	117,017	6,075	260,874	280,057	1,760
Kohl's Corporation	5,200	182,183	11,000	339,407	3,025	93,337	7,975	246,070	250,096	9,570
Lowe's	18,400	394,024			5,200	182,183				
Mastercard					18,400	394,024				3,498
Microsoft Corp			1,375	312,052	375	85,105	1,000	226,947	251,720	322
Morgan Stanley	11,725	338,260	4,425	112,238	4,475	124,828	11,675	325,670	296,428	7,978
Motorola Mobility Holdings	12,300	367,362			3,625	108,267	8,675	259,095	237,001	2,460
Motorola Solutions, Inc			4,050	144,538	6,993	181,335				
			2,943	36,797 (1)						
			5,564	284,853	5,564	248,056				
						36,797 (1)				

INVESTMENTS SUPPORTING SCHEDULES  
CORPORATE STOCKS AND MUTUAL FUNDS

THE MCMAHON FOUNDATION

SUPPLEMENTAL SCHEDULE OF STOCKS AND MUTUAL FUNDS FOR THE YEAR ENDED MARCH 31, 2011 (MODIFIED CASH BASIS)

	<u>BALANCE MARCH 31, 2010</u>		<u>PURCHASED</u>		<u>SOLD</u>		<u>BALANCE MARCH 31, 2011</u>		<u>APPROXIMATE MARKET VALUE MARCH 31, 2011</u>	<u>DIVIDENDS RECEIVED YEAR ENDED MARCH 31, 2011</u>
	<u>SHARES</u>	<u>COST</u>	<u>SHARES</u>	<u>COST</u>	<u>SHARES</u>	<u>COST</u>	<u>SHARES</u>	<u>COST</u>		
National Oilwell Varco			8,400	362,092	4,100	176,735	4,300	185,357	340,861	2,853
News Corporation			15,200	255,423			15,200	255,423	267,216	
Old Westbury International Fund	494,568	5,661,617	3,966	40,777	22,099	252,776	476,435	5,449,618	5,212,195	40,777
Old Westbury Global Opportunity Fd	918,612	6,875,000	58,864	449,137	59,951	449,036	917,525	6,875,101	7,422,779	449,137
Old Westbury Global Real Estate Fund	158,589	180,835	52,487	60,167			211,076	241,002	159,362	139,059
Old Westbury Global Small Cap Fund	621,328	6,650,840	23,928	368,866	167,022	1,787,845	478,234	5,231,861	7,776,087	168,865
Old Westbury Private Equity Fund	27,379	36,539	95,742	105,423			123,121	141,962	113,517	
Old Westbury Real Return Fund	262,281	3,523,975	147,418	1,569,060			409,699	5,093,035	4,609,111	
Paychex	10,475	325,332			10,475	325,332				6,495
Pecos Royalty Syndicate	221	1					221	1		
Pfizer	18,200	320,702			10,300	177,864	13,800	238,303	280,278	12,327
PG & E Corp			5,900	95,465	6,250	294,172				4,800
PNC Financial Services			6,250	294,172	3,675	226,406				368
Precision Cast Parts Corp			3,675	226,406						
Proctor & Gamble	4,500	309,425	1,175	171,441	1,475	101,422	1,175	171,441	172,936	
Qualcomm, Inc			5,600	233,097	1,550	64,518	4,050	168,579	186,340	8,672
Staples, Inc	14,550	355,140			14,550	355,140			222,061	3,819
St Jude Medical, Inc			8,600	331,562			8,600	331,562	440,836	3,929
Teva Pharmaceuticals					1,825	86,042	4,300	202,730	215,731	4,014
TD Ameritrade Holdings	6,125	288,772					12,200	254,147	254,614	410
T Rowe Price	5,650	232,819	2,225	110,769	7,875	343,588				3,254
Tyco International, Ltd	9,375	329,170			9,375	329,170				3,770
Union Pacific	3,600	187,764			3,600	187,764				972
Walgreen	7,900	264,042			7,900	264,042				1,086
Wal-Mart	6,600	320,712	1,500	78,815	3,700	181,374	4,400	218,153	229,020	6,534
Walters Cooperative Elevator	8	221					8	221		
Weatherford Intl, Ltd	15,225	286,637			15,225	286,637				
<u>CURRENCY FUNDS</u>										
Hong Kong Dollar			8,051,241	1,034,000			8,051,241	1,034,000	1,034,584	
Norwegian Crone			2,965,512	517,000			2,965,512	517,000	535,868	
Singapore Dollar			822,353	646,250			822,353	646,250	652,043	
South African Rand			2,780,168	387,750			2,780,168	387,750	409,518	
	<u>2,798,019</u>	<u>\$ 33,907,390</u>	<u>15,141,449</u>	<u>\$14,687,737</u>	<u>513,679</u>	<u>\$11,112,438</u>	<u>17,423,789</u>	<u>\$ 37,482,689</u>	<u>\$ 41,385,378</u>	<u>\$ 948,332</u>

(1) Represents a spin-off of Motorola Mobility Holdings from Motorola Solutions, Inc

INVESTMENTS SUPPORTING SCHEDULES  
CORPORATE STOCKS AND MUTUAL FUNDS