Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2010

For calendar year 2010, or tax year beginning OCT 1, 2010 , and ending SEP 30, 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: PAULA AND WILLIAM BERNSTEIN FOUNDATION

A Employer identification number: 74-2351575

Number and street (or P O box number if mail is not delivered to street address): 16 POLO CLUB DR. Room/suite:

B Telephone number: 303-722-4765

City or town, state, and ZIP code: DENVER, CO 80209-3310

C If exemption application is pending, check here ▶☐

D 1. Foreign organizations, check here ▶☐

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

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 7,721,431.

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

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

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	188,522.	188,522.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	185,178.			
	b Gross sales price for all assets on line 6a 755,884.				
	7 Capital gain net income (from Part IV, line 2)		185,178.		
	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	1,906.	1,906.		STATEMENT 2
	12 Total. Add lines 1 through 11	375,606.	375,606.		
Operating and Administrative Expenses	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 STMT 3	10,575.	5,379.		5,378.
	c Other professional fees STMT 4	47,604.	47,604.		0.
	17 Interest				
	18 Taxes				
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses				
	24 Total operating and administrative expenses. Add lines 13 through 23	58,179.	52,983.		5,378.
	25 Contributions, gifts, grants paid	526,700.			526,700.
	26 Total expenses and disbursements. Add lines 24 and 25	584,879.	52,983.		532,078.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	<209,273.>			
	b Net investment income (if negative, enter -0-)		322,623.		
	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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
1 Cash - non-interest-bearing	176,427.	170,160.	170,160.
2 Savings and temporary cash investments			
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 ▶			
Assets 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	2,501,103.	2,276,758.	2,286,131.
c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶			
Less accumulated depreciation ▶			
12 Investments - mortgage loans			
13 Investments - other STMT 6	5,185,363.	5,206,702.	5,265,140.
14 Land, buildings, and equipment basis ▶			
Less accumulated depreciation ▶			
15 Other assets (describe ▶)			
16 **Total assets** (to be completed by all filers)	7,862,893.	7,653,620.	7,721,431.
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			
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	7,067,067.	7,067,067.	
28 Paid-in or capital surplus, or land, bldg , and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	795,826.	586,553.	
30 **Total net assets or fund balances**	7,862,893.	7,653,620.	
31 **Total liabilities and net assets/fund balances**	7,862,893.	7,653,620.	

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	7,862,893.
2	Enter amount from Part I, line 27a	2	<209,273.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	7,653,620.
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	7,653,620.

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	755,884.		570,706.	185,178.

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				185,178.

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** 185,178.

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	688,762.	7,909,607.	.087079
2008	737,935.	9,085,001.	.081226
2007	607,712.	10,274,995.	.059145
2006	600,620.	13,034,642.	.046079
2005	555,962.	10,632,911.	.052287

2 Total of line 1, column (d)	2	.325816
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	.065163
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	8,205,998.
5 Multiply line 4 by line 3	5	534,727.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,226.
7 Add lines 5 and 6	7	537,953.
8 Enter qualifying distributions from Part XII, line 4	8	532,078.

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) 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)		1	6,452.
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	6,452.
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	6,452.
6 Credits/Payments			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a 3,498.		
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	3,498.
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	2,954.
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	
11 Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶	Refunded ▶	11	

Part VII-A Statements Regarding Activities

		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see 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.*	1b		X
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ CO			
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

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

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

Website address ▶ N/A

14 The books are in care of ▶ DR. PAULA BERNSTEIN Telephone no ▶ 303-722-4765

Located at ▶ 16 POLO CLUB DRIVE, DENVER, CO ZIP+4 ▶ 80209-3310

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

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

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

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

			Line	Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?		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

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** No: X

If "Yes" to 6b, file Form 8870

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

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

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

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

(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
PAULA BERNSTEIN 16 POLO CLUB DR. DENVER, CO 80209	PRESIDENT 0.00	0.	0.	0.
WILLIAM BERNSTEIN 16 POLO CLUB DR. DENVER, CO 80209	SECRETARY 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

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
NONE		

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 N/A	
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	
2	
All other program-related investments See instructions 3	
Total. 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	8,054,264.
b	Average of monthly cash balances	1b	276,698.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	8,330,962.
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	8,330,962.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	124,964.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	8,205,998.
6	**Minimum investment return.** Enter 5% of line 5	6	410,300.

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	410,300.
2a	Tax on investment income for 2010 from Part VI, line 5 — 2a: 6,452.		
b	Income tax for 2010 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	6,452.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	403,848.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	403,848.
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	403,848.

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	532,078.
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	532,078.
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	532,078.

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

Part XIII Undistributed Income (see instructions)

		(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7					403,848.
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	37,433.				
b From 2006					
c From 2007	123,848.				
d From 2008	288,041.				
e From 2009	296,286.				
f Total of lines 3a through e		745,608.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ $ 532,078.					
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					403,848.
e Remaining amount distributed out of corpus		128,230.			
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		873,838.			
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		37,433.			
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a		836,405.			
10 Analysis of line 9					
a Excess from 2006					
b Excess from 2007	123,848.				
c Excess from 2008	288,041.				
d Excess from 2009	296,286.				
e Excess from 2010	128,230.				

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)

	Tax year	Prior 3 years			
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	(e) Total
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					

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))

SEE STATEMENT 7

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SEE STATEMENT 8		VARIOUS	VARIOUS	526,700.
Total			▶ 3a	526,700.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
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 Dividends and interest from securities			14	188,522.	
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			14	1,906.	
8 Gain or (loss) from sales of assets other than inventory			18	185,178.	
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.		375,606.	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 375,606.

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes)

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

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

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

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

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

b If "Yes," complete the following schedule

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

Sign Here

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

Paula P Bernstein, Ph.D — Signature of officer or trustee
12-11-12 — Date
President — Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
WILLIAM H. JANSEN	WH Jansen	2-8-12		

Firm's name ▶ JANSEN, KAUFMAN & GROOTHUIS, P.C. — Firm's EIN ▶

Firm's address ▶ 640 PLAZA DRIVE, SUITE 360
HIGHLANDS RANCH, CO 80129 — Phone no (303)756-3626

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	CAPITAL GUARDIAN - SECURITIES SALES	P	VARIOUS	VARIOUS
b	CAPITAL GUARDIAN - SECURITIES SALES	P	VARIOUS	VARIOUS
c	CAPITAL GUARDIAN - K-1 PASSTHROUGH GAINS	P	VARIOUS	VARIOUS
d	CAPITAL GUARDIAN - K-1 PASSTHROUGH GAINS	P	VARIOUS	VARIOUS
e	CAPITAL GUARDIAN - FORM 6781 GAINS	P	VARIOUS	VARIOUS
f	CAPITAL GUARDIAN - FORM 6781 GAINS	P	VARIOUS	VARIOUS
g	CAPITAL GUARDIAN - ADJUSTMENT TO COST BASIS	P	VARIOUS	VARIOUS
h	DODGE AND COX - ADJUST TO COST BASIS	P	VARIOUS	VARIOUS
i	DODGE AND COX FIXED INCOME SALES	P	VARIOUS	VARIOUS
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			2,825.	<2,825.>
b	1,373.			1,373.
c	89,248.			89,248.
d	67,292.			67,292.
e	3,404.			3,404.
f	5,107.			5,107.
g	2,126.			2,126.
h	2,153.			2,153.
i	585,181.		567,881.	17,300.
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) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a				<2,825.>
b				1,373.
c				89,248.
d				67,292.
e				3,404.
f				5,107.
g				2,126.
h				2,153.
i				17,300.
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	185,178.
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

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FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDEND INCOME	124,183.	0.	124,183.
INTEREST INCOME	61,315.	0.	61,315.
OTHER	2,905.	0.	2,905.
VANGUARD MONEY MARKET	119.	0.	119.
TOTAL TO FM 990-PF, PART I, LN 4	188,522.	0.	188,522.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
CLASS ACTION PAYMENTS	1,906.	1,906.	
TOTAL TO FORM 990-PF, PART I, LINE 11	1,906.	1,906.	

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 FEES	10,575.	5,379.		5,378.
TO FORM 990-PF, PG 1, LN 16B	10,575.	5,379.		5,378.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CUSTODIAL FEES	5,588.	5,588.		0.
INVESTMENT FEES	41,337.	41,337.		0.
OTHER	679.	679.		0.
TO FORM 990-PF, PG 1, LN 16C	47,604.	47,604.		0.

FORM 990-PF	CORPORATE STOCK	STATEMENT 5

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED STATEMENT 9	2,276,758.	2,286,131.
TOTAL TO FORM 990-PF, PART II, LINE 10B	2,276,758.	2,286,131.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 6

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED STATEMENT 9	COST	5,206,702.	5,265,140.
TOTAL TO FORM 990-PF, PART II, LINE 13		5,206,702.	5,265,140.

FORM 990-PF	PART XV - LINE 1A LIST OF FOUNDATION MANAGERS	STATEMENT 7

NAME OF MANAGER
PAULA BERNSTEIN
WILLIAM BERNSTEIN

The Paula and William Bernstein Foundation
Grants ahd Contributions Paid during the Year ended 9/30/11

Recipient Name	Recipient Address	Status *	Purpose	Amount
Allied Jewish Federation	300 S Dahlia St #300 Denver CO 80220		Religious	25,000
Alzheimer's Association	P O Box 9601 Washington DC 20090		Medical	250
American Cancer Society	P O. Box 76603 Atlanta GA 30358		Medical	100
American Diabetes Association	P O Box 1833 Merrifield VA 22116		Medical	1,000
American Jewish World Service	45 Wst 36th St, 11 Floor, New York NY 10018		Religious	1,000
American Red Cross CO Chapters	P O Box 24588 Denver CO 80224-4588		Civic and Community	250
Amnesty International AUS	P O Box 96756 Washington CD 20077		Education	150
Aspen Camp of the Deaf and Hard of Hearing	P O Box 1494 Aspen CO 81612		Education	500
Aspen Center for Environmental Studies	100 Puppy Smith Street Aspen CO 81611		Education	150
Aspen Public Radio	110 East Hallam St, Suite 134 Aspen CO 81611		Cultural Arts	350
Association for Senior Citizens	839 West 44th Avenue, Denver CO 80211		Civic and Community	350
Boulder Jewish Community Center	3800 Kalmia Ave Boulder CO 80301		Religious	16,000
Boys & Girls Clubs of Metro Denver	20174 W 9th Ave Denver CO 80204		Education	350
Canine Companions for Independence	SW Regional Ctr Box 4568 Oceanside CA 92052		Civic and Community	500
Children's Hospital Foundation	P O Box 5585 Denver Co 80217		Medical	350
Colorado Environmental Coalition	1536 Wynkoop St #15C Denver CO 80202		Civic and Community	1,000
Colorado Music Festival	900 Baseline Road Cottage 100 Boulder CO 80302		Cultural Arts	250
Colorado Symphony Orchestra	1000 14th Street Denver 80202		Cultural Arts	122,500
Congregation Emanuel	51 Grape St Denver CO 80220		Religious	500
Congregation Har HaShem	3950 Baseline Rd Boulder CO 80303		Religious	2,700
Congregation Har HaShem Capital Campaign	3950 Baseline Rd Boulder CO 80303		Religious	26,500
Denver Art Museum	P O Box 5307 Denver CO 80217		Cultural Arts	5,000
Denver Botanic Gardens	909 York Street Denver CO 80206		Cultural Arts	350
Denver Center for the Performing Arts	1101 13th St Denver CO 80204-9874		Cultural Arts	1,500
Denver Institute for Psychoanalysis	P O Box 6508 Mail Stop F478 Aurora CO 80045		Medical	35,000
Denver Museum of Nature and Science	P O Box 17272 Denver CO 80217-9762		Cultural Arts	500
Denver Public Library Friends Foundation	10 W 14th Ave Parkway Denver CO 80204		Civic and Community	750
Denver Urban Gardens	3377 Blake St # 113 Denver CO 80205		Civic and Community	200
Denver Young Artists Orchestra	P O Box 18342 Denver CO 80218		Education	600
Doctors Without Borders	P O Box 5022 Hagerstown MD 21741		Medical	350
Energy Outreach Colorado	225 E 16th Ave Suite 200 Denver CO 80203		Civic and Community	1,000
Food Bank of the Rockies	P O Box 151560 Lakewood CO 80215		Civic and Community	500
Hebrew Union College	3101 Clifton Ave Cincinnati Ohio 45220		Education	2,500
Howard Dental Center	1420 Ogden St Denver CO 80218		Medical	350
Independence Pass Foundation	P O Box 1700 Aspen CO 81612		Civic and Community	1,000
Jungle Theater - Jules Ebin Fund for Youth	2951 Lyndale Ave So Minneapolis MN 55408		Cultural Arts	7,500
KBDI - 12 Colorado Public Television	P.O Box 1740 Denver CO 80201		Civic and Community	350
KCFR - Colorado Public Radio	7409 S Alton Court Centennial CO 80112		Civic and Community	15,000
KRMA TV - Channel 6 Rocky Mountain PBS	1089 Bannock St Denver CO 80204		Civic and Community	5,000
League of American Orchestras	33 W 60th St 5th Floor New York NY 10023		Cultural Arts	175
League of Women Voters	P O Box 98050 Washington DC 20077		Civic and Community	150
Listen Foundation	6950 E Belleview Ave Greenwood Village CO 80111		Cultural Arts	150
March of Dimes	P O. Box 2457 Decatur IL 62525-2547		Medical	100
Metro Food Bank	P O Box 19917 Denver CO 80219		Civic and Community	350
Minnesota AIDS Walk	525 S 9TH St #2 Minneapolis MN 55404		Medical	500
Minnesota Colon & Rectal Foundation	Box SDS 12-0861 Minneapolis MN 55486-0862		Medical	10,000
Minnesota Medical Foundation	Box SDS 12-0861 Minneapolis MN 55486-0861		Medical	22,500
MN Psychoanalytic Institue	3131 Excelsior Blvd #902 Minneapolis MN 55416		Medical	1,000
Museum of Contemporary Art Denver	1485 Delgany Denver CO 80202		Cultural Arts	1,000
National Federation of the Blind of Colorado	5670 E Evans Ave #204 Denver CO 80222		Medical	250
National Forest Foundation	Bldg 27, Suite 3 Fort Missoula Rd, Missoula MT 59804		Civic and Community	5,000
National Parks Conservation Association	P O Box 97202 Washington DC 20077		Civic and Community	100
Nature Conservancy	P O Box 6017 Washington DC		Civic and Community	100
New York Psychoanalytic Society	247 E 82nd st New York NY 10028		Medical	5,000
Oxfam	P O Box 1211 Albert Lea MN 56007-9865		Civic and Community	150
Park People	715 S Franklin St Denver CO 80209		Civic and Community	200
Peace Foundation	1200 W Broadway, #180 Minneapolis MN 55411		Civic and Community	500
PFLAG Denver	P O Box 18901 Denver CO 80218		Civic and Community	75
Planned Parenthood of the Rocky Mtns	7155 E 38th Ave Denver CO 80207		Medical	50,000

Psychologists for Social Responsibility	208 "I" Street NE Stuite B Washington DC 20022	Medical	250
Raymond Wentz Foundation	P O Box 9039 Denver CO 80209	Civic and Community	750
Recording for the Blind & Dyslexic	1355 S Colorado Blvd Suite C-406 Denver CO 80222	Medical	100
Roaring Fork Outdoor Volunteers	P O Box 1341 Basalt COP 81621	Civic and Community	150
Salvation Army	P.O Box 2369 Denver CO 80201	Civic and Community	150
Sierra Club Foundation	85 2nd St 2nd Floor San Francisco CA 94105	Civic and Community	1,000
Smile Train	P O Box 96231 Washington CD 20090	Medical	150
Social Venture Partners Boulder County	1123 Spruce St Boulder CO 80302	Civic and Community	5,000
Southern Poverty Law Center	P O Box 548 Montgovery AL 36177	Civic and Community	500
Special Olympics Colorado	P O. Box 13979 Denver CO 80201	Civic and Community	150
Susan G Komen for the Cure	P O Box 96216 Washington DC 20090	Medical	150
The Handicapped Coloradan	P.O Box 18982 Denver CO 80218	Medical	200
The Lundy Foundation	300 W 11th Ave, Suite 15B Denver CO 80204	Civic and Community	750
US Fund for UNICEF	P O Box 27708 Newark NJ 07101	Civic and Community	350
US Holocaust Museum	P O Box 90988 Washington DC 20090	Education	1,000
Volunteers of America	2660 Larimer St Denver CO 80202	Civic and Community	500
Wellesley Centers for Women	106 Central St Wellesley MA 02481	Education	138,500
Wilderness Land Trust	P O Box 1420 Carbondale CO 81623	Civic and Community	500
Wilderness Society	P O Box 97231 Washington DC 20090	Civic and Community	100
Women's Cancer Resource Center	5741 Telegraph Ave Oakland CA 94609	Medical	100
World Wildlife Fund	1250 24th St NW Washington DC 20077	Civic and Community	100
WWO Worldwide Orphan's Foundation	511 Valley Street Suite 200 Maplewood NJ 07040	Civic and Community	750
Zero to Three	P O Box 79768 Baltimore MD 21298	Education	1,000
			526,700

*All Public Charity

The Paula and William Bernstein Foundation
Balance Sheet Detail
09/30/11

Quantity	Security	Tax Basis	FMV Basis
Capital Guardian			
109,118	CG Global Equity	3,391,970	3,440,504
189,474	CG US Invest Grade	1,814,732	1,824,636
	subtotal Capital Guardian Investments	5,206,702	5,265,140
Dodge & Cox			
400	Adobe Systems Inc	9,389	9,668
2,250	Aegon N V	22,180	9,113
800	Amgen Inc	35,997	43,960
360	AOL Inc	8,959	4,320
500	Baker Hughes Inc	14,572	23,080
3,500	Bank of America Corp	34,887	21,420
1,600	Bank of New York Mellon Corp	43,404	29,744
900	BB&T Corp	18,975	19,197
300	BMC Software Inc	4,162	11,568
3,000	Boston Scientific Corp	37,992	17,730
1,200	Cadence Design Sys Inc	11,111	11,088
1,300	Capital One Financial Corp	48,496	51,519
300	Carmax Inc	5,649	7,155
200	Celanese Corp	8,834	6,506
1,031	Cemex	14,862	3,258
360	Chevron Corp	14,272	33,307
2,900	Comcast Corp	46,605	60,610
450	Computer Sciences Corp	15,769	12,083
800	Compuware Corp	4,734	6,128
400	Dish Network	8,664	10,024
7,794	Dodge & Cox Intl Stock Fund	202,115	224,387
32,117	Dodge and Cox Income Fund	395,597	425,874
888	Dow Chemical	21,040	19,944
1,100	Ebay Inc	31,807	32,439
100	Equinix Inc	9,001	8,883
500	Fedex Corp	18,176	33,840
4,000	General Electric Co	98,620	60,960
1,100	Genworth Financial Inc	14,975	6,314
1,150	GlaxoSmithKline PLC	49,147	47,484
350	Goldman Sachs Group Inc	38,601	33,093
2,550	Hewlett-Packard Co	55,798	57,248
900	Home Depot Inc	23,497	29,583
337	HSBC Hldgs PLC	21,261	12,819
100	Liberty Global Inc-A	3,784	3,618
300	Liberty Global Inc-Series C	3,563	3,461
1,175	Liberty Interactive Corp	10,269	17,355
300	Lowes Corp	6,074	5,802
1,000	Maxim Integrated Products Inc	13,614	23,330
300	McGraw-Hill Cos	12,107	12,300
300	Medtronic Inc	11,072	9,972
1,800	Merck & Co Inc	45,166	58,878
1,600	Microsoft Corp	41,712	39,824
700	Molex Inc	16,167	11,816
228	Motorola Inc	6,579	9,553
2,900	News Corp	32,887	44,863
2,100	Nokia Corp	21,168	11,886

1,000	Novartis	54,350	55,770
400	Occidental Petroleum Corp	3,012	28,600
900	Panasonic Corp	7,198	8,568
1,670	Pfizer Inc	37,964	29,526
800	Roche Hldg Ltd	28,513	32,176
1,556	Sanofi-Aventis	62,007	51,037
650	Schlumberger Ltd	26,752	38,825
2,300	Schwab Charles Corp	37,624	25,921
550	Sony Corp	13,744	10,450
5,400	Sprint Nextel Corp	48,695	16,416
600	Sun Trust Banks Inc	11,968	10,770
1,900	Symantec Corp	28,351	30,970
700	Synopsys Inc	16,373	17,052
675	TE Connectivity LTD	14,241	18,995
443	Time Warner Cable	13,327	27,763
1,566	Time Warner Inc	51,648	46,933
250	Travelers Cos Inc	7,737	12,183
375	Tyco International Ltd	15,157	15,281
300	Unilever PLC	9,609	9,357
1,200	Vodafone Group PLC	27,638	30,780
400	Vulcan Materials Co	15,207	11,024
800	Wal-Mart Stores Inc	38,610	41,520
2,446	Wells Fargo & Co	78,117	58,998
2,900	Xerox Corp	15,606	20,212
	subtotal Dodge & Cox Investments	2,276,758	2,286,131

SUMMARY

Vanguard - Prime Money Market	109,436	109,436
Vanguard - Federal Money Market	0	0
American National Bank	(18,700)	(18,700)
Capital Guardian		-
Dodge and Cox	79,424	79,424
Total Cash	**170,161**	**170,161**
Capital Guardian	5,206,702	5,265,140
Dodge and Cox	2,276,758	2,286,131
Total Investments	7,483,460	7,551,271
Total Assets	7,653,621	7,721,432