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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2011

For calendar year 2011, or tax year beginning 01-01-2011 , and ending 12-31-2011

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
THE GRUNDY FOUNDATION

A Employer identification number
23-1609243

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
680 RADCLIFFE STREET

B Telephone number (see page 10 of the instructions)
(215) 788-5460

City or town, state, and ZIP code
BRISTOL, PA 19007

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 53,087,164

J Accounting method ☑ Cash ☐ Accrual
☐ Other (specify) _
(Part I, column (d) must be on cash basis.)

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	937,734	937,734		
	5a	Gross rents				
	b	Net rental income or (loss) -46,585				
	6a	Net gain or (loss) from sale of assets not on line 10	1,420,335			
	b	Gross sales price for all assets on line 6a 7,720,406				
	7	Capital gain net income (from Part IV, line 2)		1,420,335		
	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) (attach schedule)				
	11	Other income (attach schedule)	29,098	6,412	22,686	
	12	**Total.** Add lines 1 through 11	2,387,167	2,364,481	22,686	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	281,773	84,532	0	197,241
	14	Other employee salaries and wages	1,023,347	0	0	1,023,347
	15	Pension plans, employee benefits	103,096	0	0	103,096
	16a	Legal fees (attach schedule)	4,188	0	0	4,188
	b	Accounting fees (attach schedule)	13,553	0	0	13,553
	c	Other professional fees (attach schedule)	20,294	18,000	0	2,294
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)	49,754	0	0	22,588
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy	70,702	0	0	70,702
	21	Travel, conferences, and meetings				
	22	Printing and publications	10,495	0	0	10,495
	23	Other expenses (attach schedule)	530,649	0	0	530,649
	24	**Total operating and administrative expenses.** Add lines 13 through 23	2,107,851	102,532	0	1,978,153
	25	Contributions, gifts, grants paid	252,121			252,121
	26	**Total expenses and disbursements.** Add lines 24 and 25	2,359,972	102,532	0	2,230,274
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	27,195			
	b	**Net investment income** (if negative, enter -0-)		2,261,949		
	c	**Adjusted net income** (if negative, enter -0-)			22,686	

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

Section	Line	Description	Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	3,433,352	1,550,753	1,550,753
	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 (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)	0	618,406	617,834
	b	Investments—corporate stock (attach schedule)	8,722,882	9,391,167	10,532,930
	c	Investments—corporate bonds (attach schedule)	10,059,816	8,971,132	9,619,118
	11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	15,626,854	17,338,641	16,770,117
	14	Land, buildings, and equipment basis ▶ 3,770,316 Less accumulated depreciation (attach schedule) ▶	3,770,316	3,770,316	13,996,412
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	41,613,220	41,640,415	53,087,164
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here** ▶ ☐ **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	57,803,438	57,803,438	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29	Retained earnings, accumulated income, endowment, or other funds	-16,190,218	-16,163,023	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	41,613,220	41,640,415	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	41,613,220	41,640,415	

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	41,613,220
2	Enter amount from Part I, line 27a	2	27,195
3	Other increases not included in line 2 (itemize) ▶	3	0
4	Add lines 1, 2, and 3	4	41,640,415
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	41,640,415

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	See Additional Data Table			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	See Additional Data Table			
b				
c				
d				
e				

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

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

2	Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	1,420,335
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No

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

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	2,216,299	35,531,674	0 062375
2009	2,481,838	38,120,740	0 065105
2008	2,751,947	45,849,427	0 060021
2007	2,572,920	40,577,655	0 063407
2006	2,656,871	44,743,583	0 059380

2	**Total** of line 1, column (d).	2	0 310288
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . .	3	0 062058
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.	4	35,547,484
5	Multiply line 4 by line 3.	5	2,206,006
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	22,619
7	Add lines 5 and 6.	7	2,228,625
8	Enter qualifying distributions from Part XII, line 4.	8	2,230,274

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ______ (attach copy of letter if necessary–see instructions)				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b			1	22,619
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0
3	Add lines 1 and 2			3	22,619
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	22,619
6	Credits/Payments				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	37,600		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	19,500		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	57,100
8	Enter any **penalty** for underpayment of estimated tax Check here ☑ if Form 2220 is attached			8	62
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	34,419
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶	34,419	**Refunded** ▶	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?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
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		No
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		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
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		No
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		No
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	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ PA			
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	Yes	
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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶GENE WILLIAMS Telephone no ▶(215) 788-5460

Located at ▶680 RADCLIFFE STREET BRISTOL PA ZIP+4 ▶19007

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

			Yes	No
16	At any time during calendar year 2011, 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		No

See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes", enter the name of the foreign country ▶

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

	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	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 2011?	1c		No
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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☑ No			
	If "Yes," list the years ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions)	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2011 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 2011.)*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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 2011?	4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	**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? ☐ 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
	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?	**7b**		

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
See Additional Data Table				

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
MARY JANE MANNHERZ 680 RADCLIFFE ST BRISTOL,PA 19007	LIBRARIAN 40 00	79,956	17,263	0
STEVE VITARELLI 680 RADCLIFFE ST BRISTOL,PA 19007	IT DIRECTOR 40 00	58,828	21,676	0
SHIRLEY HICKEY 680 RADCLIFFE ST BRISTOL,PA 19007	DIR CHILDREN SRV 40 00	56,019	12,039	0
DANA BARBER 680 RADCLIFFE ST BRISTOL,PA 19007	DIR ADULT SERV 40 00	59,939	6,915	0
Total number of other employees paid over $50,000 ▶				0

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		

Total number of others receiving over $50,000 for professional services . . . . ▶	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 MAINTENANCE OF LIBRARY AND MUSEUM	1,259,892
2 GRANT DISBURSEMENTS	252,121
3	
4	

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	0
2	
All other program-related investments See page 24 of the instructions **3**	0
Total. Add lines 1 through 3. . . . . ▶	0

Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	33,673,980
b	Average of monthly cash balances.	1b	4,182,035
c	Fair market value of all other assets (see page 24 of the instructions).	1c	0
d	**Total** (add lines 1a, b, and c).	1d	37,856,015
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	37,856,015
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	2,308,531
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	35,547,484
6	**Minimum investment return.** Enter 5% of line 5.	6	1,777,374

Part XI **Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6.	1	1,777,374
2a	Tax on investment income for 2011 from Part VI, line 5. — 2a: 22,619		
b	Income tax for 2011 (This does not include the tax from Part VI). — 2b:		
c	Add lines 2a and 2b.	2c	22,619
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	1,754,755
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	1,754,755
6	Deduction from distributable amount (see page 25 of the instructions).	6	0
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	1,754,755

Part XII **Qualifying Distributions** (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26.	1a	2,230,274
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	2,230,274
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions).	5	22,619
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4.	6	2,207,655

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

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				1,754,755
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only.			0	
b Total for prior years 20___, 20___, 20___		0		
3 Excess distributions carryover, if any, to 2011				
a From 2006. 511,172				
b From 2007. 658,729				
c From 2008. 491,842				
d From 2009. 583,369				
e From 2010. 477,247				
f **Total** of lines 3a through e.	2,722,359			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 2,230,274				
a Applied to 2010, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .	0			
d Applied to 2011 distributable amount.				1,754,755
e Remaining amount distributed out of corpus	475,519			
5 Excess distributions carryover applied to 2011 *(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	3,197,878			
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 page 27 of the instructions . . .		0		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)	0			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the instructions)	511,172			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	2,686,706			
10 Analysis of line 9				
a Excess from 2007. . . . 658,729				
b Excess from 2008. . . . 491,842				
c Excess from 2009. . . . 583,369				
d Excess from 2010. . . . 477,247				
e Excess from 2011. . . . 475,519				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling. . . . . . . ▶

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2011	**(b)** 2010	**(c)** 2009	**(d)** 2008	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see page 27 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

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

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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

EUGENE WILLIAMS ESQ
PO BOX 701
BRISTOL,PA 19007
(215) 788-5460

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

NO SPECIFIC REQUIREMENTS

c Any submission deadlines

NONE

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

NONE

Part 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 Additional Data Table				
Total . . . . ▶ **3a**				252,121
b *Approved for future payment*				
Total . . . . ▶ **3b**				0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a LIBRARY INCOME					22,686
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	937,734	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.			16	-46,585	
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			18	1,420,335	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a OTHER INCOME			01	6,000	
b TRUST INCOME			01	412	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .		0		2,317,896	22,686

13 **Total.** Add line 12, columns (b), (d), and (e). 13 2,340,582

(See worksheet in line 13 instructions on page 28 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 organization's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)
1A	MISCELLANEOUS INCOME FROM THE MARGARET R GRUNDY MEMORIAL LIBRARY WHICH EXISTS FOR CHARITABLE, SCIENTIFIC, LITERARY, EDUCATIONAL AND PUBLIC WORKS PROJECT

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)		No
(2) Other assets	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
(3) Rental of facilities, equipment, or other assets	1b(3)		No
(4) Reimbursement arrangements	1b(4)		No
(5) Loans or loan guarantees	1b(5)		No
(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

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

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

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

******	2012-11-07	******
Signature of officer or trustee	Date	Title

Paid Preparer's Use Only

		Date	Check if self-employed ☐	PTIN P00157086
Preparer's Signature	JOSEPH M KISTNER CPA			
Firm's name	MORISON COGEN LLP		Firm's EIN 23-1406493	
Firm's address	150 MONUMENT RD - SUITE 500 BALA CYNWYD, PA 19004		Phone no (267) 440-3000	

May the IRS discuss this return with the preparer shown above? See instructions ☐ Yes ☐ No

Additional Data

Software ID:	
Software Version:	
EIN:	23-1609243
Name:	THE GRUNDY FOUNDATION

Form 990PF - Special Condition Description:

Special Condition Description

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
1 SHS ARCHER DANIELS MIDLAND COMPANY BOND	P	2011-06-02	2011-06-08
10000 SHS BANK OF AMERICA CORP STOCK	P	2010-10-13	2011-06-14
2600 SHS CARDINAL HEALTH INC STOCK	P	2010-11-02	2011-01-31
5500 SHS CHUBB CORP STOCK	P	2009-03-31	2011-11-28
650 SHS CIMAREX ENERGY COMPANY STOCK	P	2010-09-21	2011-01-31
650 SHS CIMAREX ENERGY COMPANY STOCK	P	2010-09-21	2011-11-07
2825 SHS CONOCOPHILLIPS STOCK	P	2009-03-16	2011-01-31
2125 SHS EXXON MOBIL CORP STOCK	P	2009-06-23	2011-01-31
500000 SHS FHLB BOND	P	2007-11-07	2011-11-18
500000 SHS FEDERAL NATIONAL MORTGAGE ASSOCIATION BOND	P	2007-11-07	2011-02-15
250000 SHS FEDERAL NATIONAL MORTGAGE ASSOCIATION BOND	P	2010-04-30	2011-08-08
350000 SHS FEDERAL NATIONAL MORTGAGE ASSOCIATION BOND	P	2010-06-09	2011-10-19
3500 SHS GENERAL ELECTRIC COMPANY STOCK	P	2010-06-08	2011-01-31
6000 SHS HOME DEPOT INC STOCK	P	2009-05-21	2011-08-25
2000 SHS MEDCO HEALTH SOLUTIONS INC STOCK	P	2010-08-12	2011-04-04
500 SHS NIKE INC CLASS B STOCK	P	2009-03-31	2011-01-31
500 SHS NIKE INC CLASS B STOCK	P	2009-03-31	2011-06-07
5000 SHS PFIZER INC STOCK	P	2009-06-23	2011-03-29
10000 SHS PFIZER INC STOCK	P	2009-06-23	2011-05-27
8440 SHS SPDR S & P 500 ETF TRUST	P	2010-11-30	2011-01-26
1300 SHS UNITED TECHNOLOGIES CORP STOCK	P	2009-05-21	2011-01-31
11792 SHS WELLS FARGO ADVANTAGE ULTRA SHORT TERM FUND	P	2010-02-23	2011-11-29
SELECTINVEST INSTITUTIONAL ARV	P	2007-10-30	2011-01-11
SELECTINVEST INSTITUTIONAL ARV	P	2007-10-30	2011-06-01
SELECTINVEST INSTITUTIONAL ARV	P	2007-10-30	2011-10-01
2500 SHS CONSTELLATION ENERGY GROUP INC	P	2010-10-13	2011-02-17
2500 SHS CONSTELLATION ENERGY GROUP INC	P	2010-12-01	2011-02-17
3000 SHS CONSTELLATION ENERGY GROUP INC	P	2010-06-08	2011-02-17
500 SHS L-3 COMMUNICATIONS CORP COM	P	2010-12-10	2011-06-14
1000 SHS L-3 COMMUNICATIONS CORP COM	P	2010-06-29	2011-06-14

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
1000 SHS L-3 COMMUNICATIONS CORP COM	P	2011-02-18	2011-06-14
1500 SHS L-3 COMMUNICATIONS CORP COM	P	2009-10-30	2011-06-14
17,011 828 SHS T ROWE PRICE MID CAP GROWTH	P	2002-05-02	2011-05-27
730 193 SHS T ROWE PRICE MID CAP GROWTH	P	2007-01-17	2011-05-27
5101 026 SHS T ROWE PRICE MID CAP GROWTH	P	2005-04-25	2011-05-27
5000 SHS SEALED AIR CORP COM	P	2009-09-25	2011-02-17
8000 SHS SEALED AIR CORP COM	P	2009-08-18	2011-02-17
1800 SHS TEXAS INSTRUMENTS INC	P	2010-10-29	2011-01-31
2700 SHS TEXAS INSTRUMENTS INC	P	2010-03-22	2011-01-31
2800 SHS TEXAS INSTRUMENTS INC	P	2010-03-22	2011-10-25
1700 SHS TEXAS INSTRUMENTS INC	P	2010-05-21	2011-10-25
CAPITAL GAINS DIVIDENDS	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
21		21	0
108,716		134,996	-26,280
107,428		92,272	15,156
355,064		228,565	126,499
67,716		44,165	23,551
43,166		44,165	-999
201,419		102,291	99,128
171,314		146,572	24,742
500,000		507,653	-7,653
500,000		502,949	-2,949
250,000		250,468	-468
350,000		353,416	-3,416
70,667		54,390	16,277
203,218		139,381	63,837
113,872		93,041	20,831
41,155		23,051	18,104
40,594		23,051	17,543
100,798		73,749	27,049
208,599		147,497	61,102
1,092,199		999,970	92,229
105,197		65,633	39,564
100,000		99,882	118
117,700		128,712	-11,012
12,900		13,514	-614
27,600		29,266	-1,666
77,600		82,258	-4,658
77,600		71,825	5,775
93,120		104,766	-11,646
40,545		35,899	4,646
81,092		72,636	8,456

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
81,091		81,297	-206
121,636		109,524	12,112
1,085,015		688,519	396,496
46,572		40,000	6,572
325,343		243,880	81,463
140,557		97,487	43,070
224,891		143,522	81,369
61,146		53,405	7,741
91,720		66,150	25,570
86,624		68,600	18,024
52,593		41,633	10,960
143,918			143,918

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

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) 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	
			0
			-26,280
			15,156
			126,499
			23,551
			-999
			99,128
			24,742
			-7,653
			-2,949
			-468
			-3,416
			16,277
			63,837
			20,831
			18,104
			17,543
			27,049
			61,102
			92,229
			39,564
			118
			-11,012
			-614
			-1,666
			-4,658
			5,775
			-11,646
			4,646
			8,456

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

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) 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	
			-206
			12,112
			396,496
			6,572
			81,463
			43,070
			81,369
			7,741
			25,570
			18,024
			10,960
			143,918

Form 990PF Part VIII Line 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
LEONARD SNYDER PO BOX 577 BRISTOL, PA 19007	TRUSTEE 1 00	16,348	0	0
THOMAS PRAISS PO BOX 348 COLLINGSWOOD, NJ 08108	TRUSTEE 1 00	16,348	0	0
FREDERICK JM LAVALLEY MORGAN LEWIS BOCKIUS LLP 1701 MARKET STREET PHILADELPHIA, PA 19103	TRUSTEE 1 00	16,348	0	0
WELLS FARGO BANK 123 S BROAD STREET PHILADELPHIA, PA 19109	TRUSTEE 1 00	96,768	0	0
EUGENE WILLIAMS THE GRUNDY FOUNDATION PO BOX 701 680 RADCLIFFE STREET BRISTOL, PA 19007	EXECUTIVE DIRECTOR 40 00	119,612	30,310	0
BONNIE O'BOYLE 14 GARDEN PATH DOYLESTOWN, PA 18901	TRUSTEE 1 00	16,348	0	0

Form 990PF Part XV Line 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*				
ABINGTON MEMORIAL HOSPITAL 1200 OLD YORK ROAD ABINGTON, PA 19001			PEDIATRIC HOSPICE PROJECT	5,000
BOROUGH OF BRISTOL250 POND STREET BRISTOL, PA 19007			PUBLICITY DVD	1,000
BRISTOL BOROUGH COMM LEARNING CENTER CO ST JAMES PARISH HOUSE250 WOOD STREET BRISTOL, PA 19007			PROGRAM START-UP FUNDING	6,000
BRISTOL BOROUGH HIGH SCHOOL 1801 WILSON AVENUE BRISTOL, PA 19007			LNS SCHOLARSHIP 2011 & 2012	20,000
BRISTOL LIONS CLUBPO BOX 2161 BRISTOL, PA 19007			CONCERT SERIES PROJECT	1,700
BRISTOL RIVERSIDE THEATER COMPANY INCPO BOX 1250 BRISTOL, PA 19007			2011 MAIN STAGE SEASON	110,000
BRISTOL RIVERSIDE THEATER COMPANY INCPO BOX 1250 BRISTOL, PA 19008			EMERGENCY 2011 MAIN STAGE SEASON	11,921
BUCKS COUNTY RESCUE SQUADPO BOX 211 BRISTOL, PA 19007			TACTICAL EMERGENCY TRAINING	2,000
BUCKS COUNTY SPCAPO BOX 277 LAHASKA, PA 18931			CAPITAL CAMPAIGN	2,500
BUCKS COUNTY SPCAPO BOX 277 LAHASKA, PA 18931			CAPITAL CAMPAIGN/PRE-PAYMENT 2012 & 2013	4,500
FRIENDS OF SILVER LAKE NATURE CENTER1306 BATH ROAD BRISTOL, PA 19007			SILVER LAKE GREEN FEST	1,000
GILDA'S CLUB200 KIRK ROAD WARMINSTER, PA 18974			CLUBHOUSE WATERPROOFING	1,000
GOAL (GREENBELT OVERHAUL ALLIANCE OF LEVITTOWN)6 FREEDOM LANE LEVITTOWN, PA 19055			NEIGHBORHOOD CLEAN UP PROJECT	1,500
GOOD FRIENDS INCPO BOX 165 MORRISVILLE, PA 19067			PURCHASE OF BACK-UP GENERATOR	2,000
HULMEVILLE GARDEN CLUB2 BEAVER STREET HULMEVILLE, PA 19047			LANDSCAPE SCHOLARSHIPS	2,000
UNITED WAY OF BUCKS COUNTY 413 GOOD BOULEVARD FAIRLESS HILLS, PA 19030			ANNUAL CAMPAIGN 2011	75,000
WASHINGTON SQUARE WEST CIVIC ASSOC1209 LOCUST STREET PHILADELPHIA, PA 19107			STREET CLEANING PROJECT	3,000
WASHINGTON SQUARE HISTORIC DISTRICT1103 WAVERLY STREET PHILADELPHIA, PA 19107			TREE PROJECT	2,000
Total . . . . ▶ **3a**				252,121

TY 2011 Accounting Fees Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING & CONSULTING	13,553	0	0	13,553

TY 2011 All Other Program Related Investments Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Category	Amount
NONE	0

TY 2011 Cash Deemed Charitable Explanation Statement

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Explanation: IN ACCORDANCE WITH REG. 53.4942(A)-2(C)(3)(IV), THE ABOVE REFERENCED FOUNDATION IS EXCLUDING FROM ITS MINIMUM INVESTMENT RETURN (MIR) CALCULATION A TOTAL OF $2,308,531 IN CASH THAT IT DEEMS HELD FOR CHARITABLE ACTIVITIES. THIS AMOUNT IS IN EXCESS OF 1.5% OF THE FAIR MARKET VALUE OF THE FOUNDATION'S NONCHARITABLE ASSETS. THE FOLLOWING INFORMATION IS SUBMITTED IN SUPPORT OF THE EXCLUSION FROM MIR OF THIS AMOUNT.1. FAIR MARKET VALUE OF FOUNDATION'S NONCHARITABLE ASSETS: $33,673,9802. 1.5% OF LINE 1: $505,1103. FACTS AND CIRCUMSTANCES JUSTIFYING THE EXCLUSION OF AN AMOUNT IN EXCESS OF THE AMOUNT IN LINE 2: FOR THE PAST THREE YEARS THE FOUNDATION HAS INCURRED EXPENDITURES FOR CHARITABLE PURPOSES OF $2,227,456, $2,216,299 AND $2,481,838 FOR AN AVERAGE OF $2,308,531 IN ORDER TO CONDUCT ITS CHARITABLE ACTIVITIES.

TY 2011 Investments Corporate Bonds Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Name of Bond	End of Year Book Value	End of Year Fair Market Value
ABBOTT LABS BOND	247,998	293,278
ARCHER DANIELS MIDLAND COMPANY BOND	196,634	194,852
AT&T INC BOND	260,330	260,535
BANK OF AMERICA CORP BOND	272,454	276,114
BB&T CORPORATION BOND	282,310	284,455
ELI LILLY & COMPANY BOND	282,697	294,654
FEDERAL HOME LINE MORTGAGE CORP BOND	497,765	572,595
FEDERAL HOME LINE MORTGAGE CORP NT	508,680	555,295
FEDERAL NATIONAL MORTGAGE ASSOCIATION BOND	2,505,730	2,833,445
FHLB BOND	999,289	1,051,805
FREDDIE MAC BOND	504,927	504,010
GENERAL ELECTRIC CAP CORP BOND	278,743	284,617
GOLDMAND SACHS GROUP INC. BOND	273,048	283,324
IBM CORP BOND	256,658	255,158
MEDTRONIC INC BOND	255,613	264,005
MERCK & CO. BOND	269,505	307,062
MICROSOFT CORP BOND	255,180	265,568
ORACLE CORP BOND	265,493	264,013
U.S BANKCORP BOND	304,533	313,560
WAL-MART STORES INC. BOND	253,545	260,773

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TY 2011 Investments Corporate Stock Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ABBOTT LABS STOCK	99,928	105,431
ACCENTURE PLC STOCK	110,164	106,460
ACE LIMITED STOCK	214,965	315,540
AFLAC INC STOCK	87,900	86,520
AMGEN INC STOCK	300,231	369,208
APPLE INC STOCK	131,127	141,750
AT&T INC STOCK	253,978	272,160
BAKER HUGHES INC COMPANY STOCK	101,919	97,280
BERKSHIRE HATHAWAY INC STOCK	145,537	137,340
BMC SOFTWARE INC STOCK	128,576	108,174
BOEING COMPANY STOCK	99,360	113,693
BRISTOL-MYERS SQUIBB STOCK	206,732	352,400
CARDINAL HEALTH INC STOCK	87,148	105,586
CENTURYLINK INC STOCK	255,643	297,600
CISCO SYSTEMS INC STOCK	156,244	153,680
CITRIX SYSTEMS INC COMPANY STOCK	202,359	218,592
CONOCOPHILLIPS STOCK	108,627	218,610
CREE INC STOCK	146,651	77,140
DONNELLEY RR & SONS COMPANY STOCK	90,731	72,150
DU PONT E I DE NEOURS & COMPANY STOCK	101,781	103,005
EXXON MOBIL CORP STOCK	236,473	283,946
FEDEX CORPORATION STOCK	343,312	334,040
GENERAL ELECTRIC COMPANY STOCK	54,390	62,685
GILEAD SCIENCES INC STOCK	225,077	204,650
GOOGLE INC STOCK	211,468	258,360
HEWLETT-PACKARD STOCK	225,884	154,560
INTEL CORP STOCK	282,414	375,875
INTERCONTINENTAL EXCHANGE INC STOCK	93,824	96,440
JOHNSON & JOHNSON STOCK	152,639	196,740
JPMORGAN CHASE & COMPANY STOCK	187,896	146,300

Name of Stock	End of Year Book Value	End of Year Fair Market Value
KRAFT FOODS INC CLASS A STOCK	313,913	429,640
LOCKHEED MARTIN STOCK	223,346	264,948
3-M COMPANY STOCK	202,594	204,325
MEADWESTVACO CORP STOCK	156,542	164,725
MERCK & COMPANY INC STOCK	210,552	226,200
MICROSOFT CORP STOCK	140,387	194,700
NATIONAL OILWELL VARCO INC COMPANY STOCK	128,028	135,980
NETAPP INC STOCK	101,884	96,116
OCCIDENTAL PETE CORP STOCK	135,154	154,605
ORACLE CORP STOCK	133,022	128,250
PAYCHEX INC STOCK	208,975	210,770
PNC FINANCIAL SERVICES GROUP STOCK	217,312	230,680
PROCTOR & GAMBLE CO STOCK	411,477	517,003
PUBLIC SERVICES ENTERPRISE GROUP INC STOCK	207,637	214,565
QUALCOMM INC STOCK	107,189	109,400
ROSS STORES INC STOCK	159,942	270,921
TARGET CORP STOCK	208,737	204,880
TEVA PHARMACEUTICAL INDUSTRIES STOCK	99,258	80,720
TIMKEN COMPANY STOCK	97,371	96,775
TYCO INTERNATIONAL STOCK	178,312	210,195
UNITED TECHNOLOGIES STOCK	65,633	95,017
UNUM GROUP STOCK	111,800	105,350
VERIZON COMMUNICATIONS STOCK	283,929	401,200
WESTERN UNION COMPANY STOCK	108,360	109,560
WYNN RESORTS LTD STOCK	136,835	110,490

TY 2011 Investments Government Obligations Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

US Government Securities - End of Year Book Value:	618,406
US Government Securities - End of Year Fair Market Value:	617,834
State & Local Government Securities - End of Year Book Value:	0
State & Local Government Securities - End of Year Fair Market Value:	0

TY 2011 Investments - Other Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
FOREIGN EXCHANGE - AUSTRALIA DOLLAR	FMV	1,000,000	986,577
GOLDMAND SACHS GROWTH OPPORTUNITY FUND	FMV	1,400,000	1,184,822
HARBOR INTERNATIONAL FUND	FMV	6,117,107	6,026,210
LAZARD EMERGING MARKETS PORTFOLIO	FMV	1,500,000	1,135,647
PIMCO FOREIGN BOND (UNHEDGED) FUND	FMV	500,000	477,213
ROYCE PREMIER FUND	FMV	646,414	704,565
SELECTINVEST INSTITUTIONAL ARV	FMV	275,072	258,977
VANGUARD BOND INDEX FUND INC	FMV	2,499,930	2,539,831
WELLS FARGO ADVANTAGE ULTRA SHORT TERM FUND	FMV	2,400,118	2,402,952
WILMINGTON CRM MID-CAP VALUE FUND	FMV	1,000,000	1,053,323

TY 2011 Legal Fees Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL	4,188	0	0	4,188

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TY 2011 Other Expenses Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MAINTENANCE	102,338	0	0	102,338
BOOKS & SUPPLIES	91,049	0	0	91,049
INSURANCE	81,168	0	0	81,168
UTILITIES	7,012	0	0	7,012
SECURITY	11,337	0	0	11,337
MISCELLANEOUS	23,356	0	0	23,356
LIBRARY AUTOMATION	7,110	0	0	7,110
EXEMPT PROPERTY EXPENSES	45,048	0	0	45,048
RENOVATIONS	28,969	0	0	28,969
COMPUTERIZATION - SUPPLY & MAINT	47,057	0	0	47,057
PROGRAM	5,781	0	0	5,781
CAPITAL EXPENDITURES	65,465	0	0	65,465
AUTO	10,305	0	0	10,305
COMMUNITY OUTREACH	4,654	0	0	4,654

TY 2011 Other Income Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
LIBRARY INCOME	22,686		22,686
OTHER INCOME	6,000	6,000	0
TRUST INCOME	412	412	0

TY 2011 Other Professional Fees Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT FEES	18,000	18,000	0	0
OTHER	2,294	0	0	2,294

TY 2011 Taxes Schedule

Name: THE GRUNDY FOUNDATION

EIN: 23-1609243

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
REAL ESTATE	22,588	0	0	22,588
EXCISE TAX	27,166	0	0	0