

See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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 SEP 1, 2011 , and ending AUG 31, 2012

Name of foundation

THE M.S. GRUMBACHER FOUNDATION

A Employer identification number

23-2697348

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

C/O COZEN O'CONNOR 1900 MARKET STREET

B Telephone number

215-665-4117

City or town, state, and ZIP code

PHILADELPHIA, PA 19103-3508

C If exemption application is pending, check here ▶ ☐

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

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 ☐ 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) ▶$ 6,009,286.

J Accounting method: ☒ 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)
1 Contributions, gifts, grants, etc., received			N/A	
2 Check ▶ ☒ if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	6.	6.		STATEMENT 1
4 Dividends and interest from securities	214,529.	214,529.		STATEMENT 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	409,146.			
b Gross sales price for all assets on line 6a 961,457.				
7 Capital gain net income (from Part IV, line 2)		409,146.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total Add lines 1 through 11	623,681.	623,681.		
13 Compensation of officers, directors, trustees, etc	19,200.	9,600.		9,600.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees STMT 3	8,500.	4,250.		4,250.
b Accounting fees STMT 4	1,758.	879.		879.
c Other professional fees STMT 5	19,066.	19,066.		0.
17 Interest				
18 Taxes STMT 6	11,502.	615.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses STMT 7	205.	103.		102.
24 Total operating and administrative expenses Add lines 13 through 23	60,231.	34,513.		14,831.
25 Contributions, gifts, grants paid	266,000.			266,000.
26 Total expenses and disbursements Add lines 24 and 25	326,231.	34,513.		280,831.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	297,450.			
b Net investment income (if negative, enter -0-)		589,168.		
c Adjusted net income (if negative, enter -0-)			N/A	

SCANNED NOV 14 2012
RECEIVED
NOV 07 2012
OGDEN UT

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	39,451.	271,471.	271,471.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 8	2,458,356.	2,661,185.	4,248,161.
	c Investments - corporate bonds STMT 9	1,580,703.	1,443,304.	1,489,654.
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	4,078,510.	4,375,960.	6,009,286.
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	4,078,510.	4,375,960.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30 **Total net assets or fund balances**	4,078,510.	4,375,960.	
	31 **Total liabilities and net assets/fund balances**	4,078,510.	4,375,960.	

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	4,078,510.
2	Enter amount from Part I, line 27a	2	297,450.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	4,375,960.
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	4,375,960.

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 SCHEDULE ATTACHED	P		
b	CAPITAL GAINS DIVIDENDS			
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	959,585.		552,311.	407,274.
b	1,872.			1,872.
c				
d				
e				

	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	
a				407,274.
b				1,872.
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	409,146.
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))
2010	284,084.	5,821,484.	.048799
2009	266,940.	5,673,601.	.047049
2008	346,966.	5,414,757.	.064078
2007	351,340.	6,988,489.	.050274
2006	319,923.	7,167,046.	.044638

2	**Total** of line 1, column (d)	2	.254838
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	.050968
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	5,829,175.
5	Multiply line 4 by line 3	5	297,101.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	5,892.
7	Add lines 5 and 6	7	302,993.
8	Enter qualifying distributions from Part XII, line 4	8	280,831.

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	1	11,783.
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	11,783.
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	11,783.
6	Credits/Payments:		
a	2011 estimated tax payments and 2010 overpayment credited to 2011 — 6a: 6,920.		
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	6,920.
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	4,863.
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 2012 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) ▶ 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	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 2011 or the taxable year beginning in 2011 (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

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	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 ▶ THE FOUNDATION'S FIDUCIARY Telephone no ▶ 215-665-4117

Located at ▶ 1900 MARKET STREET, PHILADELPHIA, PA ZIP+4 ▶ 19103-3508

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

			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		X

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 instructions)?	1b		X
	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		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 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 ▶ _____, _____, _____, _____			
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 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.)* 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 2011?	4b		X

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

5a	During the year did the foundation pay or incur any amount to:			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?	☐ Yes ☒ No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No		
b	If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	N/A	5b	
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	N/A ☐ Yes ☐ No		
	If "Yes," attach the statement required by Regulations section 53 4945-5(d)			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b	X
	If "Yes" to 6b, file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	7b	

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JOSHUA G. SCHULTZ	PRESIDENT			
SEBASTOPOL, CA	0.00	10,200.	0.	0.
MARY JO GRUMBACHER	DIRECTOR			
SAN FRANCISCO, CA	0.00	3,000.	0.	0.
DAVID R. GLYN	DIRECTOR			
PHILADELPHIA, PA	0.00	3,000.	0.	0.
SUSAN GREGORY	DIRECTOR			
MALIBU, CA	0.00	3,000.	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.

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	5,667,834.
b	Average of monthly cash balances		1b	250,110.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	5,917,944.
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	5,917,944.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	88,769.
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	5,829,175.
6	**Minimum investment return** Enter 5% of line 5		6	291,459.

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	291,459.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	11,783.		
b	Income tax for 2011. (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	11,783.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	279,676.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	279,676.
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	279,676.

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	280,831.
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	280,831.
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	280,831.

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				279,676.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			265,655.	
b Total for prior years: _____, _____, _____		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ $ 280,831.				
a Applied to 2010, but not more than line 2a			265,655.	
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 2011 distributable amount				15,176.
e Remaining amount distributed out of corpus	0.			
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	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				264,500.
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 2006 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2012** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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 2011, 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) 2011	(b) 2010	(c) 2009	(d) 2008	(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 instructions.)

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

DAVID GLYN, 215-665-4117
C/O COZEN O'CONNOR 1900 MARKET STREET, PHILADELPHIA, PA 19103

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

IN LETTER FORM WITH ALL PERTINENT INFORMATION FURNISHED/INCLUDED

c Any submission deadlines:

NOVEMBER 1 TO APRIL 30

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

LIMITED PRINCIPALLY TO THE YORK, PA AREA AND THE STATE OF PENNSYLVANIA

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 SCHEDULE ATTACHED				266,000.
Total			▶ 3a	266,000.
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		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	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			14	6.	
4 Dividends and interest from securities			14	214,529.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	409,146.	
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.		623,681.	0.
13 **Total** Add line 12, columns (b), (d), and (e)				13	623,681.

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

▶ Signature of officer or trustee — Date ▶ 11/1/2012 — Title

May the IRS discuss this return with the preparer shown below (see instr.)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
JONATHAN HOFFMAN		10/26/12		P00236442

Firm's name ▶ ISDANER & COMPANY, LLC — Firm's EIN ▶ 23-6410283

Firm's address ▶ THREE BALA PLAZA, SUITE 501 WEST BALA CYNWYD, PA 19004-3484 — Phone no. (610) 668-4200

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

SOURCE	AMOUNT
CUSTODY ACCOUNT - COZEN O'CONNOR	6.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	6.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CUSTODY ACCOUNT - COZEN O'CONNOR	216,401.	1,872.	214,529.
TOTAL TO FM 990-PF, PART I, LN 4	216,401.	1,872.	214,529.

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
COZEN O'CONNOR	8,500.	4,250.		4,250.
TO FM 990-PF, PG 1, LN 16A	8,500.	4,250.		4,250.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ISDANER & CO, LLC	1,758.	879.		879.
TO FORM 990-PF, PG 1, LN 16B	1,758.	879.		879.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PNC ADVISORS	19,066.	19,066.		0.
TO FORM 990-PF, PG 1, LN 16C	19,066.	19,066.		0.

FORM 990-PF TAXES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAX	10,887.	0.		0.
FOREIGN TAX	615.	615.		0.
TO FORM 990-PF, PG 1, LN 18	11,502.	615.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK CHARGES	205.	103.		102.
TO FORM 990-PF, PG 1, LN 23	205.	103.		102.

FORM 990-PF CORPORATE STOCK STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE SCHEDULE ATTACHED	2,661,185.	4,248,161.
TOTAL TO FORM 990-PF, PART II, LINE 10B	2,661,185.	4,248,161.

FORM 990-PF CORPORATE BONDS STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE SCHEDULE ATTACHED	1,443,304.	1,489,654.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,443,304.	1,489,654.

The M.S. Grumbacher Foundation
EIN: 23-2697348
990-PF, Part II, Line 10b

Corporate Stock

Valuation Metho for Book Value	Description of Investment	Ending Book Balance	FMV at Year-End
cost	AT&T Inc - 4,410 shs	46,506 25	161,582 40
cost	Automatic Data Processing, Inc - 2,000 shs	12,261 17	116,160 00
cost	Bank New York Mellon Corp - 1000 shs	29,118 00	22,540 00
cost	Blackrock Global Allocation Fund - 1761 45 shs	35,344 72	34,316 75
cost	Boeing Co - 800 shs	59,298 00	57,120 00
cost	CF Industries Holdings Inc - 300 shs	64,390 00	62,103 00
cost	Caterpillar Tractor- 700 shs	61,918 00	59,731 00
cost	Celanese Corp- 1000 shs	39,919 01	38,260 00
cost	Centerpoint Energy Inc Holding Co - 8,000 shs	100,061 20	163,120 00
cost	Chevron Corp - 1,748 shs	26,981 96	145,583 68
cost	Cisco Systems Inc - 5,000 shs	95,580 00	95,400 00
cost	Coca-Cola Co, Inc - 1,150 shs	5,347 50	86,020 00
cost	Colgate - Palmolive Co - 800 shs	15,170 00	85,048 00
cost	Deere & Co - 550 shs	42,573 42	41,310 50
cost	Diamond Hill Long-Short Fund - 3456 211 shs	60,000 00	61,624 24
cost	Walt Disney Corp - 1,800 shs	40,270 20	89,046 00
cost	Dominion Resources Ser A Pfd 8 375% - 800 shs	22,489 04	22,816 00
cost	Dupont E I De Nemours & Co - 1,000 shs	54,037 50	49,750 00
cost	Eaton Vance Global Macro Absolute Return Fund - 9794 404 shs	99,764 62	96,474 88
cost	Exxon Mobil Corp - 1,500 shs	23,498 75	130,950 00
cost	General Electric Capital Corp Pfd 6 05% - 900 shs	22,553 02	23,166 00
cost	General Electric Co - 4,500 shs	15,403 12	93,195 00
cost	Glaxo Holding PLC - 450 shs	21,546 50	20,470 50
cost	Goldman Sachs Group Pdf Ser B 6 2% - 900 shs	23,175 01	22,662 00
cost	Hewlett Packward Co - 2,600 shs	20,093 84	43,888 00
cost	Home Depot Inc - 200 shs	10,294 00	11,350 00
cost	Ishares MSCI Pacific Ex-Japan Index Fund - 800 shs	37,592 15	34,704 00
cost	Ishares MSCI Emerging Markets Index Fund - 250 shs	11,532 25	9,820 00
cost	Ishares Trust S&P Latin America 40 Index Fund - 500 shs	26,905 00	20,790 00
cost	Ishares MSCI EAFE Index Fund - 1200 shs	70,236 50	61,920 00
cost	Ishares S&P Small Cap 600 Index Fund - 500 shs	34,090 00	37,765 00
cost	Illinois Tool Works Inc - 1,700 shs	28,198 75	100,793 00
cost	Intel Corp - 3,500 shs	90,871 25	86,905 00
cost	International Business Machines Corp - 600 shs	53,014 00	116,910 00
cost	Ivy Global Natural Resources Fund - 4164 148 shs	100,000 00	68,750 08
cost	JP Morgan Chase & Co - 1,300 shs	48,626 50	48,282 00
cost	Johnson & Johnson - 1,600 shs	19,370 00	107,888 00
cost	Legg Mason Batterymarch Emerging Markets Trust - 1196 172 shs	25,000 00	22,942 58
cost	McDonalds Corp - 800 shs	22,340 00	71,592 00
cost	Merck & Co, Inc - 2,000 shs	51,658 04	86,100 00
cost	Microsoft Corp - 2,500 shs	66,700 00	77,050 00
cost	Midcap SPDR Trust Series 1 ETF	65,402 00	70,932 00
cost	Nextera Energy, Inc - 1,800 shs	78,913 57	147,139 66
cost	Oracle System Corporation - 2,000 shs	67,687 50	63,300 00
cost	PNC Bank Corp - 700 shs	48,541 00	43,512 00
cost	Pepsico, Inc - 1,100 shs	50,366 46	79,673 00
cost	Pfizer, Inc - 5,085 shs	26,872 32	121,328 10
cost	Pimco Commidity Real Return Fund - 10828 737 shs	143,693 85	116,563 95
cost	Praxair Inc Common - 1,200 shs	34,542 84	126,600 00
cost	Proctor Gamble Co - 1,900 shs	61,263 86	127,661 00
cost	Ross Stores Inc - 165 shs	10,462 75	11,416 35
cost	T Rowe Price Group Inc - 2,000 shs	34,875 00	122,880 00
cost	T Rowe Price Real Estate Fund - 1011 633 shs	20,000 00	21,517 43
cost	Teva Pharmaceutical Industries ADR - 2,600 shs	44,343 00	102,908 00
cost	U S Bancorp Del Common New - 3,000 shs	84,013 00	100,230 00
cost	Union Pacific Corp - 500 shs	60,595 00	60,720 00
cost	United Technologies Corp- 150 shs	11,241 90	11,977 50
cost	Seadrill Limited- 300 shs	10,198 00	12,366 00
cost	Verizon Communications Inc - 2,120 shs	47,313 39	91,032 80
cost	Wells Fargo VIII TRUPS 6 625%	27,130 00	30,504 00
Total		**2,661,184.71**	**4,248,161.40**

The M.S. Grumbacher Foundation
EIN: 23-2697348
990-PF, Part II, Line 10c

Corporate Bonds

Valuation Metho for Book Value	Description of Investment	Ending Book Balance	FMV at Year-End
cost	Alabama Power 3.375% 10/1/20	47,373.50	54,662.20
cost	American Express Credit Corp 6.25% 9/15/13 Internotes	100,000.00	104,941.60
cost	BP Capital Mkts PLC Gtd Sr Nt 5.25% 11/7/13	104,202.00	105,485.00
cost	Baird Aggregate Bond Fund	75,000.00	76,488.35
cost	Blackrock High Yield Bond Portfolio	78,213.97	84,203.49
cost	Burlington Northern 4.7% 10/1/19	52,178.00	57,393.85
cost	Campbell Soup 4.5% 2/15/19	51,885.00	57,187.65
cost	Caterpillar Financial Services 5.85% 9/1/17	56,437.50	60,342.00
cost	Citigroup Inc 5.3% 10/17/12	79,483.50	75,433.88
cost	Eaton Vance Floating Rate Fund - 2197.801 shs	19,974.38	19,868.12
cost	Fidelity Advisor Adv Floating High Yield Income Fund	75,000.00	77,725.63
cost	GE Capital 5.25% 9/15/16 Internotes	100,000.00	108,723.50
cost	Ishares Barclays Agency Bond Fund ETF	56,595.00	56,975.00
cost	Ishares Barlclays 1-3 Year Treasury Bond Fund	84,330.00	84,510.00
cost	Ishares Barlclays 1-3 Year Credit Bond Fund ETF	115,368.00	116,061.00
cost	Merrill Lynch 5% 2/3/14	52,610.00	52,165.85
cost	Morgan Stanley Var% 3/1/16	48,937.50	50,077.50
cost	Morgan Stanley Sr 4.2% 11/20/14	103,093.00	102,586.20
cost	PNC Ultra Short Term Bond Fund	20,000.00	19,980.00
cost	Payden & Rygel Invt Short Bond Fund	70,110.24	69,967.84
cost	Pimco Foreign Bond Fund	25,000.00	26,227.58
cost	T. Rowe Price High Yield Fund Inc.	27,512.14	28,647.96
Total		**1,443,303.73**	**1,489,654.20**

The M.S Grumbacher Foundation
EIN 23-2697348
Form 990-PF, Part XV
Grants & Contributions Paid

Name & Address	Relationship	Status	Purpose	Amount
Alzheimer's Association-Greater Pennsylvania Chapter Harrisburg PA	None		General Fund	$40,000 00
Alzheimer's Association Washington, DC	None		General Fund	$10,000 00
American Civil Liberties Union Harrisburg, PA	None		General Fund	$5,000 00
American Red Cross York, PA	None		General Fund	$3,000 00
Cultural Alliance of York County York, PA	None		General Fund	$81,000 00
Doctors Without Borders USA, Inc New York, NY	None		General Fund	$2,000 00
Main Idea at Camp Walden Mamaroneck, NY	None		General Fund	$5,000 00
Martin Library Association York, PA	None		General Fund	$5,000 00
Mercersburg Academy Mercersburg, PA	None		General Fund	$6,000 00
NAACP - York, PA York, PA	None		General Fund	$1,000 00
NAMI Pennsylvania Harrisburg, PA	None		General Fund	$10,000 00
NAMI Pennsylvania, York County York, PA	None		General Fund	$5,000 00
National Arbor Day Foundation Nebraska City, NE	None		General Fund	$2,000 00
Nature Conservancy Arlington, VA	None		General Fund	$2,000 00
Penn State York York, PA	None		General Fund	$2,000 00
Simon Wiesenthal Center Los Angeles, CA	None		General Fund	$500 00
Strand- Capitol Performing Arts Center York, PA	None		General Fund	$500 00
University of Pennsylvania Philadelphia, PA	None		General Fund	$25,000 00
WITF Harrisburg, PA	None		General Fund	$5,000 00
Well-Formula Program York, PA	None		General Fund	$2,000 00
Wyoming Seminary Kingston, PA	None		General Fund	$2,000 00
York College York, PA	None		General Fund	$5,000 00
York County Community Foundation York, PA	None		General Fund	$12,000 00
York County Council of Churches York, PA	None		General Fund	$3,000 00
York County Literacy Council York, PA	None		General Fund	$2,000 00
York Health Foundation York, PA	None		General Fund	$5,000 00
York Y W C A York, PA	None		General Fund	$25,000 00
Total				$266,000 00

Tax Worksheet

Account: 51006505
M J GRUMBACHER, S GREGORY,
From 9/1/2011 To 8/31/2012
Tax ID. XX-XXX7348

COZEN O'CONNOR.

SCHEDULE OF CAPITAL GAINS AND LOSSES

TRANSACTION DESCRIPTION UNITS	DATE ACQ.	DATE SOLD	PROCEEDS	COST	SHORT TERM GAIN/LOSS	LONG TERM GAIN/LOSS
CAPITAL GAINS/LOSSES						
CHEVRON CORPORATION SR NT 3 45%12 75,000 0000	08/19/10	09/03/11	76,167 75	(78,263 25)		(2,095 50)
ASSET MATURED AM EXPRESS CREDIT CORP 5 7% 9/15/11 INTERNOTES 100,000 0000	09/08/08	09/15/11	100,000 00	(100,000 00)		
CHEVRON CORP 700 0000	11/23/93	01/24/12	74,694 44	(15,789 38)		58,905 06
CHEVRON CORP 550 0000	07/15/91	02/29/12	60,194 54	(11,433 04)		48,761 50
450 0000	11/23/93	02/29/12	49,250 08	(10,150 31)		39,099 77
EXXON MOBIL CORP 500 0000	06/29/94	02/29/12	43,309 22	(7,832 92)		35,476 30
ASSET MATURED ELI LILLY & CO 3 55% DUE 3/6/2012 50,000 0000	03/16/10	03/06/12	50,000 00	(52,038 19)		(2,038 19)
ASSET CALLED USB CAPITAL XI PFD SECS 6 6% MATURITY 9/15/2066 900 0000	03/16/10	05/21/12	22,500 00	(22,483 00)		17 00
NEXTERA ENERGY INC COM 0 6250	03/16/10	06/05/12	40 33	(40 72)		(0 39)
ASSET CALLED FLEET CAPITAL TRUST VIII NOTES 7 2% PFD DUE 3/15/2032 2,000 0000	08/10/09	07/26/12	50,000 00	(41,487 20)		8,512 80
AT & T INC 1,500 0000	01/14/92	08/09/12	55,633 75	(23,493 75)		32,140 00
COCA-COLA CO, INC 700 0000	05/31/88	08/09/12	55,332 57	(3,255 00)		52,077 57
COLGATE-PALMOLIVE CO 600 0000	06/13/95	08/09/12	62,886 57	(11,377 50)		51,509 07

Tax Worksheet

Account: 51006505
M J.GRUMBACHER, S.GREGORY,
From 9/1/2011 To 8/31/2012
Tax ID: XX-XXX7348

COZEN O'CONNOR.

TRANSACTION DESCRIPTION UNITS	DATE ACQ.	DATE SOLD	PROCEEDS	COST	SHORT TERM GAIN/LOSS	LONG TERM GAIN/LOSS
CAPITAL GAINS/LOSSES CONTINUED						
JOHNSON & JOHNSON						
500 0000	03/13/92	08/09/12	34,169 23	(6,053 12)		28,116 11
MC DONALDS CORP						
500 0000	10/05/04	08/09/12	43,634 02	(13,962 50)		29,671 52
PEPSICO, INC						
600 0000	08/12/09	08/09/12	43,277 03	(34,487 02)		8,790 01
PFIZER,INC						
500 0000	10/16/09	08/09/12	11,970 48	(8,830 00)		3,140 48
VERIZON COMMUNICATIONS INC						
600 0000	01/11/93	08/09/12	26,525 46	(15,415 45)		11,110 01
BLACKROCK FUNDS HIGH YIELD BOND PORT INST CLASS FUND# 318						
2,980 3050	07/23/10	08/27/12	23,425 20	(21,786 03)		1,639 17
6,561.6800	12/15/10	08/27/12	51,574 80	(50,000 00)		1,574 80
T. ROWE PRICE HIGH YIELD FUND, INC FUND#57						
3,438 5110	03/16/10	08/27/12	23,347 49	(22,487 86)		859 63
243 3740	12/15/10	08/27/12	1,652 51	(1,645 21)		7 30
TOTAL CAPITAL GAINS/LOSSES			959,585.47	(552,311.45)		407,274.02