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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 10-01-2011 , and ending 09-30-2012

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 RILEY FOUNDATION

A Employer identification number
38-3439851

Number and street (or P O box number if mail is not delivered to street address) Room/suite
PO BOX 75000 MC 7874

B Telephone number (see page 10 of the instructions)

City or town, state, and ZIP code
Detroit, MI 48275

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)* ▶$ 1,899,634

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	3	3		
	4	Dividends and interest from securities	47,121	47,121		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	65,418			
	b	Gross sales price for all assets on line 6a 1,274,838				
	7	Capital gain net income (from Part IV, line 2)		65,418		
	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)	2,000			
	12	**Total.** Add lines 1 through 11	114,542	112,542		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	65,734	25,734		40,000
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)	900			900
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)	2,743			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	2,422			2,422
	24	**Total operating and administrative expenses.** Add lines 13 through 23	71,799	25,734		43,322
	25	Contributions, gifts, grants paid	912,832			912,832
	26	**Total expenses and disbursements.** Add lines 24 and 25	984,631	25,734		956,154
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-870,089			
	b	**Net investment income** (if negative, enter -0-)		86,808		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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

			Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	1,111,062	155,407	155,407
	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)			
	b	Investments—corporate stock (attach schedule)	922,527	651,093	791,461
	c	Investments—corporate bonds (attach schedule)	526,451	883,451	952,766
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	2,560,040	1,689,951	1,899,634
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	9,955,256	9,955,256	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	-7,395,216	-8,265,305	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	2,560,040	1,689,951	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	2,560,040	1,689,951	

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	2,560,040
2	Enter amount from Part I, line 27a	2	-870,089
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,689,951
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,689,951

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)
1 a	SCHECULE ATTACHED		2010-10-01	2012-09-30
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	1,274,838		1,211,297	63,541
b				
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				63,541
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	65,418
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	817,571	3,126,604	0 261489
2009	845,134	3,777,667	0 223719
2008	948,699	4,121,490	0 230184
2007	1,205,675	6,612,176	0 182342
2006	1,556,508	8,009,993	0 194321

2	**Total** of line 1, column (d).	2	1 092053
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 218411
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.	4	2,332,937
5	Multiply line 4 by line 3.	5	509,539
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	868
7	Add lines 5 and 6.	7	510,407
8	Enter qualifying distributions from Part XII, line 4.	8	956,154

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	868
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	868
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	868
6	Credits/Payments				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	1,848		
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	1,848
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	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	980
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶ 870	**Refunded** ▶		11	110

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 ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
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	Yes	
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) ▶ MI			
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 ▶NONE

14 The books are in care of ▶COMERICA BANK Telephone no ▶(734) 930-2416

Located at ▶PO BOX 75000 MC 7874 Detroit MI ZIP+4 ▶48275

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		No
	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		No
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)*

			Yes	No
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
NONE				
Total number of other employees paid over $50,000. . . . ▶				

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. . . . . ▶

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	
2	
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	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3. . . . . ▶	

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	2,368,464
b	Average of monthly cash balances	1b	0
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	2,368,464
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	2,368,464
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	35,527
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,332,937
6	**Minimum investment return.** Enter 5% of line 5	6	116,647

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	116,647
2a	Tax on investment income for 2011 from Part VI, line 5	2a	868		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	868
3	Distributable amount before adjustments Subtract line 2c from line 1			3	115,779
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	115,779
6	Deduction from distributable amount (see page 25 of the instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	115,779

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	956,154
b	Program-related investments—total from Part IX-B	1b	
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	956,154
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	868
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	955,286

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				115,779
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only.				
b Total for prior years 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2011				
a From 2006. 1,163,698				
b From 2007. 890,834				
c From 2008. 744,394				
d From 2009. 657,201				
e From 2010. 663,088				
f **Total** of lines 3a through e.	4,119,215			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 956,154				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .				
d Applied to 2011 distributable amount.				115,779
e Remaining amount distributed out of corpus	840,375			
5 Excess distributions carryover applied to 2011 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	4,959,590			
b Prior years' undistributed income Subtract line 4b from line 2b				
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.				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions . . .				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
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)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the instructions)	1,163,698			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	3,795,892			
10 Analysis of line 9				
a Excess from 2007. . . . 890,834				
b Excess from 2008. . . . 744,394				
c Excess from 2009. . . . 657,201				
d Excess from 2010. . . . 663,088				
e Excess from 2011. . . . 840,375				

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))

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 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

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

c Any submission deadlines

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

Part XV **Supplementary Information** (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SCHEDULE ATTACHED PO BOX 75000 MC 7874 Detroit, MI 482757874	NONE	EXEMPT	GENERALCHARITABLEPURPOSES	912,832
Total **3a**				912,832
b *Approved for future payment*				
Total **3b**				

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					
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	3	
4 Dividends and interest from securities. . . .			14	47,121	
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	65,418	
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). .				112,542	

13 **Total.** Add line 12, columns (b), (d), and (e). 13 112,542

(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)

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

****** | 2013-01-22 | ******

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's Signature	Date	Check if self-employed ☐	PTIN
LILY AMBROSIO-YLEN	2013-01-21		

Firm's name ▶ LILY AMBROSIO YLEN EA — Firm's EIN ▶

36705 TULANE DR

Firm's address ▶ Sterling Heights, MI 48312 — Phone no (586) 939-7756

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

Additional Data

Software ID:
Software Version:
EIN: 38-3439851
Name: THE RILEY FOUNDATION

Form 990PF - Special Condition Description:

Special Condition Description

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
COMERICA BANK PO BOX 75000 MC 7874 Detroit, MI 48275	CO TRUSTEE 2	15,734	0	0
KIMBERLY A FOUTS PO BOX 75000 MC 7874 Detroit, MI 48275	CO-TRUSTEE 2	18,000	0	0
DANIEL RILEY PO BOX 75000 MC 7874 Detroit, MI 48275	BOARD MEMBER 1	8,000	0	0
GEORGE K RILEY PO BOX 75000 MC 7874 Detroit, MI 48275	BOARD MEMBER 1	8,000	0	0
WILLIAM D RILEY PO BOX 75000 MC 7874 Detroit, MI 48275	BOARD MEMBER 1	8,000	0	0
CHERYL LUTZ PO BOX 75000 MC 7874 Detroit, MI 48275	BOARD MEMBER 1	8,000	0	0

TY 2011 Investments Corporate Bonds Schedule

Name: THE RILEY FOUNDATION

EIN: 38-3439851

Name of Bond	End of Year Book Value	End of Year Fair Market Value
CORPORATE BONDS	883,451	952,766

TY 2011 Investments Corporate Stock Schedule

Name: THE RILEY FOUNDATION

EIN: 38-3439851

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CORPORATE STOCKS & MUTUAL FDS	651,093	791,461

TY 2011 Other Expenses Schedule

Name: THE RILEY FOUNDATION

EIN: 38-3439851

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INSURANCE	2,422	0	0	2,422

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93491021002013

TY 2011 Other Income Schedule

Name: THE RILEY FOUNDATION

EIN: 38-3439851

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
LEGAL FEE	2,000	0	0

TY 2011 Other Professional Fees Schedule

Name: THE RILEY FOUNDATION

EIN: 38-3439851

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAX PREPARATION FEE	900	0	0	900

TY 2011 Taxes Schedule

Name: THE RILEY FOUNDATION

EIN: 38-3439851

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXCISE TAX	2,743	0	0	0

THE RILEY FOUNDATION
CONTRIBUTIONS
10/1/2011 to 9/30/2012

CHARITIES	ADDRESS	AMOUNT	PURPOSE
Angela Hospice	14100 Newburgh, Livonia MI 48154	20,000 00	Light up a life
Another Way Pregnancy Center	31700 W 12 Mile Road, Ste 12, Farmington Hills, MI 48334	5,000 00	General charitable purposes
Botsford Foundation	28050 Grand River Ave , Farmington Hills, MI 48336	207,700 00	Cancer Center Healing Garden installment
Changing Lives Together	1234 Washington Blvd , Detroit, MI 48226	10,000 00	Archdiocese of Detroit fundraiser
Dad's & Mom's of Michigan	5119 Highland Rd , Suite 222, Waterford, MI 48327	15,000 00	Help single parents
Detroit Public Television	1 Clover Court, Wixom MI 48393	500,000 00	General charitable purposes
Detroit Public Television	1 Clover Court, Wixom MI 48393	10,000 00	Challenge fundraiser awareness of Yankee Air Museum
Farmington Hills Benevolent Association	31655 W Eleven Mile Rd, Farmington Hills MI 48336	5,000 00	Golf outing
Farmington/Farmington Hills Foundation	36520 Twelve Mile Rd, Farmington Hills MI 48331	6,999 00	Backpack program
Farmington/Farmington Hills Foundation	36520 Twelve Mile Rd, Farmington Hills MI 48331	3,000 00	Delores Riley educational fund
Farmington Youth Assistance	32789 West Ten Mile Rd , Farmington Hills, MI 48336	25,000 00	Camp Riley
Fighters Fastpitch	14577 Brookside Dr , Belleville, MI 48111	500 00	Softball fundraiser
Life Choice Crisis Pregnancy Center	33100 Grand River, Farmington, MI 48336	5,000 00	General purposes
Medical Assistance Foundation	1710 S Main St , Fairfield, IA 52556	1,800 00	9 treatments for Amaya Moher
Michigan United Conservation Clubs	2101 Wood St , P O Box 30235, Lansing, MI 48912	500 00	Get kids in the outdoors
Safari Club International	7757 Ronda Dr, Canton MI 48187	30,000 00	Youth program
Safari Club International	7757 Ronda Dr, Canton MI 48187	900 00	Annual fundraiser
St Mary's Mercy Hospital Foundation	36475 Five Mile Rd , Livonia, MI 48154	50,000 00	Our Lady of Hope cancer center healing garden
Yankee Air Museum	47884 D St , Belleville, MI 48111-1126	16,433 00	Restoration of plane program
		912,832 00	

Transaction Detail (Continued)

Date	Description	Cash	Cost	Gain / Loss
Sales				
10/21/11	SOLD 2,417 745 SHS ARTIO GLOBAL INVT FDS INTL EQUITY FD CL I ON 10/20/2011 AT 24 05	58,146 77	75,578 71-	17,431 94-
10/28/11	SOLD 100 SHS FRANKLIN RES INC ON 10/25/2011 AT 101 8477 THRU SIDCO / CONVERGEX COMMISSIONS PAID 4 00 EXPENSES PAID 0 20	10,180 57	11,568 24-	1,387 67-
11/07/11	SOLD 270 SHS GENERAL CABLE CORP ON 11/02/2011 AT 24 4176 THRU SIDCO / CONVERGEX COMMISSIONS PAID 10 80 EXPENSES PAID 0 12	6,581 83	10,752 15-	4,170 32-
01/18/12	SOLD 280 SHS LIFE TECHNOLOGIES CORP ON 01/12/2012 AT 46 534 THRU SIDCO / CONVERGEX COMMISSIONS PAID 11 20 EXPENSES PAID 0 25	13,018 07	14,184 05-	1,165 98-
01/18/12	SOLD 200 SHS NEXTERA ENERGY INC ON 01/12/2012 AT 59 3675 THRU SIDCO / CONVERGEX COMMISSIONS PAID 8 00 EXPENSES PAID 0 23	11,865 27	10,322 06-	1,543 21
03/28/12	SOLD 170 SHS CELGENE CORP ON 03/23/2012 AT 76 7814 THRU SIDCO / CONVERGEX COMMISSIONS PAID 6 80 EXPENSES PAID 0 23	13,045 80	9,408 84-	3,636 96
04/09/12	SOLD 3,526 394 SHS RAINIER SM/MID CAP EQTY FD INST ON 04/05/2012 AT 37 64	132,733 47	69,998 93-	62,734 54
04/11/12	SOLD 6 SHS APPLE INC ON 04/05/2012 AT 631 81 THRU SIDCO / CONVERGEX COMMISSIONS PAID 0 36 EXPENSES PAID 0 09	3,790 41	1,922 82-	1,867 59
04/11/12	SOLD 5 SHS AUTOZONE INC ON 04/05/2012 AT 383 62 THRU SIDCO / CONVERGEX COMMISSIONS PAID 0 30 EXPENSES PAID 0 05	1,917 75	757 29-	1,160 46
04/11/12	SOLD 90 SHS BB&T CORP ON 04/05/2012 AT 31 22 THRU SIDCO / CONVERGEX COMMISSIONS PAID 5 40 EXPENSES PAID 0 07	2,804 33	2,364 54-	439 79
04/11/12	SOLD 20 SHS CATERPILLAR INC ON 04/05/2012 AT 106 42 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 20 EXPENSES PAID 0 05	2,127 15	1,339 33-	787 82
04/11/12	SOLD 60 SHS CLIFFS NAT RES INC ON 04/05/2012 AT 67 77 THRU SIDCO / CONVERGEX COMMISSIONS PAID 3 60 EXPENSES PAID 0 10	4,062 50	3,204 32-	858 18

Transaction Detail (Continued)

Date	Description	Cash	Cost	Gain / Loss
04/11/12	SOLD 10 SHS COACH INC ON 04/05/2012 AT 75 53 THRU SIDCO / CONVERGEX COMMISSIONS PAID 0 60 EXPENSES PAID 0 02	754 68	516 56-	238 12
04/11/12	SOLD 10 SHS CONOCOPHILLIPS ON 04/05/2012 AT 75 77 THRU SIDCO / CONVERGEX COMMISSIONS PAID 0 60 EXPENSES PAID 0 02	757 08	361 35-	395 73
04/11/12	SOLD 120 SHS DENBURY RESOURCES INC COM NEW ON 04/05/2012 AT 18 5801 THRU SIDCO / CONVERGEX COMMISSIONS PAID 7 20 EXPENSES PAID 0 05	2,222 36	2,497 40-	275 04-
04/11/12	SOLD 20 SHS DEVON ENERGY CORPORATION ON 04/05/2012 AT 71 84 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 20 EXPENSES PAID 0 04	1,435 56	1,270 78-	164 78
04/11/12	SOLD 20 SHS EMC CORP ON 04/05/2012 AT 29 12 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 20 EXPENSES PAID 0 02	581 18	342 80-	238 38
04/11/12	SOLD 10 SHS GRAINGER W W INC ON 04/05/2012 AT 216 14 THRU SIDCO / CONVERGEX COMMISSIONS PAID 0 60 EXPENSES PAID 0 05	2,160 75	983 85-	1,176 90
04/11/12	SOLD 20 SHS INTEL CORP ON 04/05/2012 AT 27 97 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 20 EXPENSES PAID 0 02	558 18	452 40-	105 78
04/11/12	SOLD 10 SHS ITC HLDGS CORP ON 04/05/2012 AT 76 44 THRU SIDCO / CONVERGEX COMMISSIONS PAID 0 60 EXPENSES PAID 0 02	763 78	712 91-	50 87
04/11/12	SOLD 60 SHS JPMORGAN CHASE & CO ON 04/05/2012 AT 44 35 THRU SIDCO / CONVERGEX COMMISSIONS PAID 3 60 EXPENSES PAID 0 06	2,657 34	2,440 67-	216 67
04/11/12	SOLD 10 SHS JOHNSON & JOHNSON ON 04/05/2012 AT 65 26 THRU SIDCO / CONVERGEX COMMISSIONS PAID 0 60 EXPENSES PAID 0 02	651 98	397 56-	254 42
04/11/12	SOLD 10 SHS LABORATORY CORP OF AMER HLDGS ON 04/05/2012 AT 93 09 THRU SIDCO / CONVERGEX COMMISSIONS PAID 0 60 EXPENSES PAID 0 03	930 27	260 20-	670 07

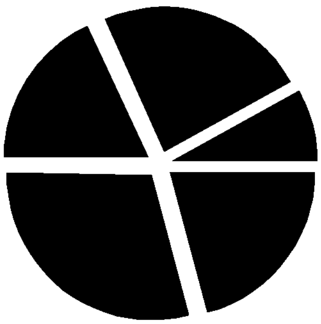
Transaction Detail (Continued)

Date	Description	Cash	Cost	Gain / Loss
04/11/12	SOLD 50 SHS MACYS INC ON 04/05/2012 AT 41 07 THRU SIDCO / CONVERGEX COMMISSIONS PAID 3 00 EXPENSES PAID 0 05	2,050 45	1,524 01-	526 44
04/11/12	SOLD 30 SHS MICROSOFT CORP ON 04/05/2012 AT 31 54 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 80 EXPENSES PAID 0 03	944 37	859 32-	85 05
04/11/12	SOLD 20 SHS MYLAN LABS INC ON 04/05/2012 AT 22 7801 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 20 EXPENSES PAID 0 02	454 38	479 10-	24 72-
04/11/12	SOLD 20 SHS NIKE INC CL B ON 04/05/2012 AT 110 31 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 20 EXPENSES PAID 0 05	2,204 95	1,230 89-	974 06
04/11/12	SOLD 30 SHS NORFOLK SOUTHERN CORP SOUTHERN CORP ON 04/05/2012 AT 67 69 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 80 EXPENSES PAID 0 05	2,028 85	2,020 79-	8 06
04/11/12	SOLD 30 SHS OCCIDENTAL PETROLEUM CORP ON 04/05/2012 AT 94 12 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 80 EXPENSES PAID 0 07	2,821 73	2,734 48-	87 25
04/11/12	SOLD 10 SHS PHILIP MORRIS INTL INC ON 04/05/2012 AT 88 39 THRU SIDCO / CONVERGEX COMMISSIONS PAID 0 60 EXPENSES PAID 0 02	883 28	457 49-	425 79
04/11/12	SOLD 20 SHS ROPER INDS INC NEW ON 04/05/2012 AT 98 07 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 20 EXPENSES PAID 0 05	1,960 15	1,290 05-	670 10
04/11/12	SOLD 20 SHS SCHLUMBERGER LTD ON 04/05/2012 AT 69 00 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 20	1,378 80	1,077 92-	300 88
04/11/12	SOLD 20 SHS STRYKER CORP ON 04/05/2012 AT 54 77 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 20 EXPENSES PAID 0 03	1,094 17	1,347 40-	253 23-
04/11/12	SOLD 20 SHS TARGET CORP ON 04/05/2012 AT 58 18 THRU SIDCO / CONVERGEX COMMISSIONS PAID 1 20 EXPENSES PAID 0 03	1,162 37	1,016 98-	145 39
04/11/12	SOLD 50 SHS US BANCORP ON 04/05/2012 AT 31 40 THRU SIDCO / CONVERGEX COMMISSIONS PAID 3 00 EXPENSES PAID 0 04	1,566 96	743 95-	823 01

Transaction Detail (Continued)

Date	Description	Cash	Cost	Gain / Loss
04/11/12	SOLD 40 SHS INVESCO LTD ON 04/05/2012 AT 25 96 THRU SIDCO / CONVERGEX COMMISSIONS PAID 2 40	1,036 00	870 79-	165 21
07/24/12	SOLD 6 SHS AUTOZONE INC ON 07/19/2012 AT 382 3393 THRU MORGAN STANLEY DEAN WITTER COMMISSIONS PAID 0 18 EXPENSES PAID 0 06	2,293 80	908 75-	1,385 05
07/24/12	SOLD 90 SHS DIRECTV CL A ON 07/19/2012 AT 48 9169 THRU MORGAN STANLEY DEAN WITTER COMMISSIONS PAID 2 70 EXPENSES PAID 0 10	4,399 72	3,305 05-	1,094 67
08/24/12	SOLD 30 SHS IBM CORP ON 08/21/2012 AT 198 5887 THRU MORGAN STANLEY DEAN WITTER COMMISSIONS PAID 0 90 EXPENSES PAID 0 14	5,956 62	3,066 96-	2,889 66
08/24/12	SOLD 20 SHS GRAINGER W W INC ON 08/21/2012 AT 203 4668 THRU MORGAN STANLEY DEAN WITTER COMMISSIONS PAID 0 60 EXPENSES PAID 0 09	4,068 64	1,967 71-	2,100 93
09/11/12	SOLD 380 SHS MYLAN LABS INC ON 09/06/2012 AT 24 0582 THRU MORGAN STANLEY DEAN WITTER COMMISSIONS PAID 11 40 EXPENSES PAID 0 20	9,130 52	9,102 90-	27 62
	NET CASH MANAGEMENT	955,654 68	955,654 68-	
Total Sales		**1,274,837 52**	**1,211,296 98-**	**63,540 54**
Noncash Transactions				
05/07/12	SPINOFF CONOCOPHILLIPS AT THE RATE OF 50% FOR 100 SHS PHILLIPS 66	0 00	2,421 78-	
05/07/12	SPINOFF CONOCOPHILLIPS AT THE RATE OF 50% FOR 100 SHS PHILLIPS 66	0 00	2,421 78	
08/13/12	RECEIVED 2-FOR-1 STK SPLIT 80 SHS COCA COLA CO	0 00		
08/29/12	EXCHANGE 270 SHS DIRECTV CL A AT THE RATE OF 100% FOR 270 SHS DIRECTV TO EFFECT MANDATORY EXCHANGE	0 00	12,182 74-	
08/29/12	EXCHANGE 270 SHS DIRECTV CL A AT THE RATE OF 100% FOR 270 SHS DIRECTV TO EFFECT MANDATORY EXCHANGE	0 00	12,182 74	
Total Noncash Transactions		**0 00**	**0 00**	**0 00**
Ending Balance		**0 00**	**1,689,951 13**	**65,417 88**

Investment Portfolio Summary



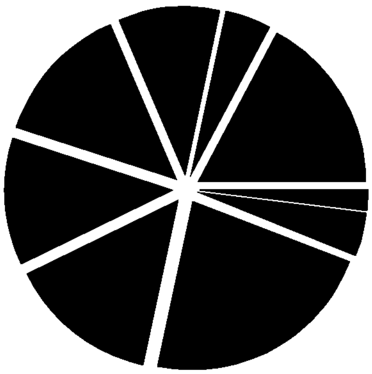
	Tax Cost	Market Value	Percent
CASH AND EQUIVALENTS	155, 407 45	155, 407 45	8 2%
EQUITIES	355, 160 28	449, 239 15	23 6%
EQUITIES - OTHER	295, 932 40	342, 221 28	18 0%
FIXED INCOME	526, 451 00	559, 547 00	29 5%
FIXED INCOME - OTHER	357, 000 00	393, 219 30	20 7%
Total	1, 689, 951 13	1, 899, 634 18	100 0%

Investment Detail

Description		Total Market/ Total Cost	Market Price/ Cost Price	Est Annual Inc / Unreal Gain / Loss	Current Yield
Cash And Equivalents					
CASH		0 00			
**** Total Cash**	**Sub-**	**0 00**		**0 00**	**0 00**
	Total	**0 00**		**0 00**	
FIDELITY INSTITUTIONAL TREASURY		155,407 45	1 00	15 54	0 01
ONLY PORTFOLIO		155,407 45	1 00		
**** Total Short Term Investments**	**Sub-**	**155,407 45**		**15 54**	**0 01**
	Total	**155,407 45**		**0 00**	
*** Total Cash And Equivalents**		**155,407 45**		**15 54**	**0 01**
		155,407 45		**0 00**	

Investment Detail (Continued)

Equity Diversification Summary



Industry Sector	Market Value	Percent
CONSUMER DISCRETIONARY	77, 732 48	17 3%
CONSUMER STAPLES	19, 559 80	4 4%
ENERGY	43, 382 60	9 7%
FINANCIALS	61, 092 40	13 6%
HEALTHCARE	55, 213 80	12 3%
INDUSTRIALS	64, 360 10	14 3%
INFORMATION TECHNOLOGY	100, 475 92	22 3%
MATERIALS	18, 308 05	4 1%
TELECOMMUNICATION SERVICES	9, 114 00	2 0%
Total	449, 239 15	100 0%

Description	Ticker	Shares	Total Market/ Total Cost	Market Price/ Cost Price	Est Annual Inc / Unreal Gain / Loss	Current Yield
Equities						
AUTOZONE INC	AZO	34 000	12,568 78	369 67		
			5,149 60	151 46	7,419 18	
COACH INC	COH	230 000	12,884 60	56 02	276 00	2 14
			12,699 87	55 22	184 73	
DIRECTV	DTV	270 000	14,158 80	52 44		
			12,182 74	45 12	1,976 06	
MACYS INC	M	390 000	14,671 80	37 62	312 00	2 13
			12,029 43	30 84	2,642 37	
NIKE INC CL B	NKE	120 000	11,389 20	94 91	172 80	1 52
			7,385 31	61 54	4,003 89	
TARGET CORP	TGT	190 000	12,059 30	63 47	273 60	2 27
			9,791 77	51 54	2,267 53	
** Total Consumer Discretionary		Sub-	77,732 48		1,034 40	1 33
		Total	59,238 72		18,493 76	
COCA COLA CO	KO	160 000	6,068 80	37 93	163 20	2 69
			4,718 40	29 49	1,350 40	
PHILIP MORRIS INTL INC	PM	150 000	13,491 00	89 94	510 00	3 78
			6,862 32	45 75	6,628 68	
** Total Consumer Staples		Sub-	19,559 80		673 20	3 44
		Total	11,580 72		7,979 08	

Investment Detail (Continued)

Description	Ticker	Shares	Total Market/ Total Cost	Market Price/ Cost Price	Est Annual Inc / Unreal Gain / Loss	Current Yield
Energy						
CONOCOPHILLIPS	COP	200 000	11,436 00	57 18	528 00	4 62
			7,680 45	38 40	3,755 55	
DENBURY RESOURCES INC COM NEW	DNR	570 000	9,211 20	16 16		
			11,180 32	19 61	1,969 12-	
DEVON ENERGY CORPORATION	DVN	100 000	6,050 00	60 50	80 00	1 32
			6,463 57	64 64	413 57-	
OCCIDENTAL PETROLEUM CORP	OXY	140 000	12,048 40	86 06	302 40	2 51
			12,017 64	85 84	30 76	
PHILLIPS 66	PSX	100 000	4,637 00	46 37	80 00	1 73
			2,421 78	24 22	2,215 22	
**** Total Energy**		**Sub-**	**43,382 60**		**990 40**	**2 28**
		Total	**39,763 76**		**3,618 84**	
[redacted]						
BB&T CORP	BBT	410 000	13,595 60	33 16	328 00	2 41
			10,771 81	26 27	2,823 79	
JPMORGAN CHASE & CO	JPM	370 000	14,977 60	40 48	444 00	2 96
			14,715 76	39 77	261 84	
US BANCORP	USB	400 000	13,720 00	34 30	312 00	2 27
			5,951 60	14 88	7,768 40	
VISA INC CL A	V	140 000	18,799 20	134 28	123 20	0 66
			10,023 93	71 60	8,775 27	
**** Total Financials**		**Sub-**	**61,092 40**		**1,207 20**	**1 98**
		Total	**41,463 10**		**19,629 30**	
[redacted]						
AMERISOURCEBERGEN CORP	ABC	270 000	10,451 70	38 71	140 40	1 34
			10,498 79	38 88	47 09-	
JOHNSON & JOHNSON	JNJ	210 000	14,471 10	68 91	512 40	3 54
			9,496 22	45 22	4,974 88	
LABORATORY CORP OF AMER HLDGS	LH	90 000	8,322 30	92 47		
			2,341 80	26 02	5,980 50	
STRYKER CORP	SYK	140 000	7,792 40	55 66	119 00	1 53
			9,261 58	66 15	1,469 18-	
UNIVERSAL HEALTH SVCS INC CL B	UHS	310 000	14,176 30	45 73	62 00	0 44
			11,628 56	37 51	2,547 74	
**** Total Healthcare**		**Sub-**	**55,213 80**		**833 80**	**1 51**
		Total	**43,226 95**		**11,986 85**	
[redacted]						
ALLSCRIPTS HEALTHCARE SOLUTIONS	MDRX	730 000	9,066 60	12 42		
			12,886 62	17 65	3,820 02-	

Investment Detail (Continued)

Description	Ticker	Shares	Total Market/ Total Cost	Market Price/ Cost Price	Est Annual Inc / Unreal Gain / Loss	Current Yield
Industrials						
CATERPILLAR INC	CAT	90 000	7,743 60 7,610 73	86 04 84 56	187 20 132 87	2 42
GRAINGER W W INC	GWW	60 000	12,502 20 5,903 13	208 37 98 39	192 00 6,599 07	1 54
ITC HLDGS CORP	ITC	140 000	10,581 20 10,057 54	75 58 71 84	211 40 523 66	2 00
NORFOLK SOUTHERN CORP SOUTHERN CORP	NSC	160 000	10,180 80 10,719 37	63 63 67 00	320 00 538 57-	3 14
ROPER INDS INC NEW	ROP	130 000	14,285 70 9,622 00	109 89 74 02	71 50 4,663 70	0 50
** **Total Industrials**		**Sub-Total**	**64,360 10** **56,799 39**		**982 10** **7,560 71**	**1 53**

[redacted]

Description	Ticker	Shares	Total Market/ Total Cost	Market Price/ Cost Price	Est Annual Inc / Unreal Gain / Loss	Current Yield
APPLE INC	AAPL	53 000	35,356 57 18,444 01	667 11 348 00	561 80 16,912 56	1 59
EMC CORP	EMC	230 000	6,272 10 3,942 20	27 27 17 14	 2,329 90	
FISERV INC	FISV	80 000	5,922 40 4,501 47	74 03 56 27	 1,420 93	
HEWLETT PACKARD CO	HPQ	350 000	5,971 00 6,972 59	17 06 19 92	184 80 1,001 59-	3 09
HOLOGIC INC	HOLX	450 000	9,099 00 9,081 27	20 22 20 18	 17 73	
INTEL CORP	INTC	530 000	12,007 15 11,510 40	22 66 21 72	477 00 496 75	3 97
IBM CORP	IBM	50 000	10,372 50 5,684 72	207 45 113 69	170 00 4,687 78	1 64
MICROSOFT CORP	MSFT	520 000	15,475 20 14,434 36	29 76 27 76	478 40 1,040 84	3 09
** **Total Information Technology**		**Sub-Total**	**100,475 92** **74,571 02**		**1,872 00** **25,904 90**	**1 86**

[redacted]

Description	Ticker	Shares	Total Market/ Total Cost	Market Price/ Cost Price	Est Annual Inc / Unreal Gain / Loss	Current Yield
CLIFFS NAT RES INC	CLF	110 000	4,304 30 8,301 95	39 13 75 47	275 00 3,997 65-	6 39
NEWMONT MNG CORP	NEM	250 000	14,003 75 13,292 67	56 02 53 17	350 00 711 08	2 50
** **Total Materials**		**Sub-Total**	**18,308 05** **21,594 62**		**625 00** **3,286 57-**	**3 41**

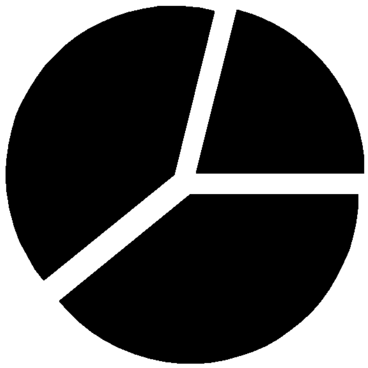
[redacted]

Investment Detail (Continued)

Description	Ticker	Shares	Total Market/ Total Cost	Market Price/ Cost Price	Est Annual Inc / Unreal Gain / Loss	Current Yield
Telecommunication Services						
VERIZON COMMUNICATIONS	VZ	200 000	9,114 00	45 57	412 00	4 52
			6,922 00	34 61	2,192 00	
**** Total Telecommunication Services**		**Sub-**	**9,114 00**		**412 00**	**4 52**
		Total	**6,922 00**		**2,192 00**	
*** Total Equities**			**449,239 15**		**8,630 10**	**1 92**
			355,160 28		**94,078 87**	
Equities - Other						
[redacted]						
SCHLUMBERGER LTD	SLB	160 000	11,572 80	72 33	176 00	1 52
			11,119 76	69 50	453 04	
INVESCO LTD	IVZ	360 000	8,996 40	24 99	248 40	2 76
			8,377 13	23 27	619 27	
**** Total Foreign Stock**		**Sub-**	**20,569 20**		**424 40**	**2 06**
		Total	**19,496 89**		**1,072 31**	
[redacted]						
DWS DREMAN SMALL CAP VALUE FUND	KDSIX	1,011 403	36,997 12	36 58	689 78	1 86
			23,242 04	22 98	13,755 08	
HARBOR INTL FD	HAINX	1,232 033	72,455 86	58 81	1,621 36	2 24
			72,000 00	58 44	455 86	
LAZARD EMERGING MARKETS PORT	LZEMX	3,285 760	64,006 60	19 48	1,803 88	2 82
			44,193 47	13 45	19,813 13	
MFS INTL NEW DISCOVERY I	MWNIX	2,083 933	49,764 32	23 88	614 76	1 24
			44,000 00	21 11	5,764 32	
OPPENHEIMER DEVELOPING MARKETS	ODVYX	1,690 198	56,773 75	33 59	1,140 88	2 01
FUND-Y			53,000 00	31 36	3,773 75	
PRINCIPAL INVS FD INC MIDCAP	PCBIX	2,668 445	41,654 43	15 61	208 14	0 50
BLEND			40,000 00	14 99	1,654 43	
**** Total Mutual Funds**		**Sub-**	**321,652 08**		**6,078 80**	**1 89**
		Total	**276,435 51**		**45,216 57**	
*** Total Equities - Other**			**342,221 28**		**6,503 20**	**1 90**
			295,932 40		**46,288 88**	

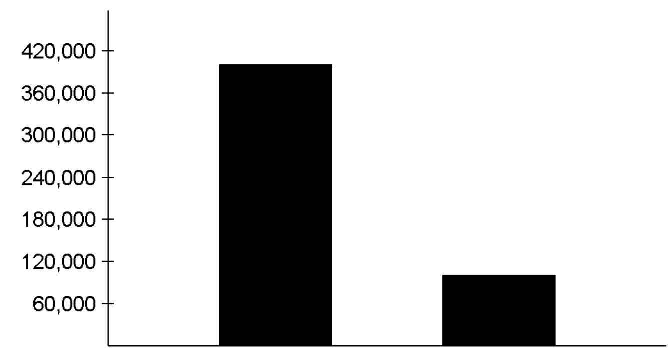
Investment Detail (Continued)

Bond Quality Summary



S & P Quality Rating	Market Value	Percent
AA+	118, 318 00	21 1%
A+	222, 036 00	39 7%
A	219, 193 00	39 2%
Total	559, 547 00	100 0%

Bond Maturity Summary



Years To Maturity	Par Value	Percent
LESS THAN 5 YEARS	400, 000 00	80 0%
5-10 YEARS	100, 000 00	20 0%
Total	500, 000 00	100 0%

Average Time To Maturity: 3.5 Years **Current Yield: 3.84%**

Description	Rating	Par Value	Total Market/ Total Cost	Market Price/ Cost Price	Est Annual Inc / Unreal Gain / Loss	Yield Current/ Maturity
Fixed Income						
BOEING CO 3 75% 11/20/2016	A	100,000 000	111,694 00 105,664 00	111 69 105 66	3,750 00 6,030 00	3 36 0 90
CISCO SYS INC 5 5% 02/22/2016	A+	100,000 000	116,136 00 99,973 00	116 14 99 97	5,500 00 16,163 00	4 74 0 76
GENERAL ELECTRIC 5 25% 12/06/2017	AA+	100,000 000	118,318 00 109,357 00	118 32 109 36	5,250 00 8,961 00	4 44 1 48

Investment Detail (Continued)

Description	Rating	Par Value	Total Market/ Total Cost	Market Price/ Cost Price	Est Annual Inc / Unreal Gain / Loss	Yield Current/ Maturity
Corporate Bonds						
ORACLE CORPORATION 3 75% 07/08/2014	A+	100,000 000	105,900 00 107,044 00	105 90 107 04	3,750 00 1,144 00-	3 54 0 46
PRAXAIR INC NT 3 25% 09/15/2015	A	100,000 000	107,499 00 104,413 00	107 50 104 41	3,250 00 3,086 00	3 02 0 77
**** Total Corporate Bonds**		**Sub-Total**	**559,547 00** **526,451 00**		**21,500 00** **33,096 00**	**3 84**
*** Total Fixed Income**			**559,547 00** **526,451 00**		**21,500 00** **33,096 00**	**3 84**

Description	Ticker	Shares	Total Market/ Total Cost	Market Price/ Cost Price	Est Annual Inc / Unreal Gain / Loss	Current Yield
Fixed Income - Other						
[redacted]						
PIMCO TOTAL RETURN FD INSTL	PTTRX	28,901 735	334,682 09 300,000 00	11 58 10 38	10,664 74 34,682 09	3 19
PIMCO HIGH YIELD FD INSTL	PHIYX	6,148 867	58,537 21 57,000 00	9 52 9 27	3,750 81 1,537 21	6 41
**** Total Mutual Funds Taxable**		**Sub-Total**	**393,219 30** **357,000 00**		**14,415 55** **36,219 30**	**3 67**
*** Total Fixed Income - Other**			**393,219 30** **357,000 00**		**14,415 55** **36,219 30**	**3 67**
Grand Total Assets			**1,899,634 18** **1,689,951 13**		**51,064 39** **209,683 05**	**2 69**