

2006

ANNUAL REPORT

Scaife Family Foundation grant awards will support and develop programs that strengthen families, address issues surrounding the health and welfare of women and children, promote animal welfare, and that demonstrate the beneficial interaction between humans and animals. The Foundation will consider grants directed toward early intervention and prevention efforts in the area of drug and alcohol addiction. Consideration may be given to organizations that encourage private conservation. The Foundation will remain flexible in order to offer support in areas of importance as determined by the Trustees. The Foundation will not consider grants to individuals. Proposals for the following are usually declined: event sponsorships, endowments, capital campaigns, renovations or government agencies.

Initial inquiries to the Foundation should be in letter form signed by the organization's President, or authorized representative, and have the approval of the organization's Board of Directors. The letter should include a concise description of the specific program for which funds are requested. Additional information must include a budget for the program and for the organization, the latest audited financial statement, annual report and Board of Directors list. A copy of the organization's current ruling letter evidencing tax exemption under Section 501(c)(3) of the Internal Revenue Service Code is required. Additional information may be requested if needed for further evaluation.

The Foundation normally considers grants at semi annual meetings. However, requests may be submitted at any time and will be acted upon as expeditiously as possible.

Grant application letters should be addressed to:

**Ms. Barbara M. Sloan, President
Scaife Family Foundation
777 South Flagler Drive
West Tower, Suite 903
West Palm Beach, Florida 33401**

SCAIFE FAMILY FOUNDATION

OFFICERS:

Jennie K. Scaife	Chairman
Barbara M. Sloan	President
Elizabeth H. Genter	Vice President
Mary T. Walton	Vice President
Barbara M. Sloan	Secretary/Treasurer

ADDRESS:

777 South Flagler Drive
West Tower, Suite 903
West Palm Beach, FL 33401

STATEMENT OF INVESTMENTS - DECEMBER 31, 2006

	<u>COST</u>	<u>MARKET VALUE</u>
Money Market	\$2,943,858	\$2,943,858
US Treasury/Agency Securities/Municipals	\$10,503,461	\$10,410,098
Corporate Bonds	\$5,895,805	\$5,801,441
Common Stocks/Preferred stocks	\$45,745,691	\$55,047,820
Mutual Funds	<u>\$8,770,797</u>	<u>\$13,144,868</u>
Total	<u>\$73,859,612</u>	<u>\$87,348,085</u>

SCAIFE FAMILY FOUNDATION - GRANTS PAID 2006

10th Life Sanctuary, Inc. (The)	\$	30,000
Action Housing, Inc.	\$	67,000
All Creatures Sanctuary, Inc	\$	100,000
Allegheny Land Trust	\$	10,000
American Red Cross	\$	50,000
American Society for the Prevention of Cruelty to Animals	\$	50,000
Animal Rescue League of Western Pennsylvania	\$	125,000
Assistance Dog Institute	\$	20,000
Assistance Dogs of America, Inc.	\$	30,000
Bethlehem Haven of Pittsburgh	\$	40,000
Betty Ford Center (The)	\$	84,000
Betty Ford Center Challenge Grant (The)	\$	125,000
Big Brothers Big Sisters of Palm Beach County, Inc.	\$	20,000
Boys & Girls Clubs of Palm Beach County	\$	75,000
Breast Cancer Research Foundation (The)	\$	150,000
Busch Wildlife Sanctuary	\$	35,000
Caring Children Clothing Children, Inc.	\$	5,000
Caron Foundation	\$	50,000
CASA of Allegheny County	\$	50,000
Center for Family Services of Palm Beach County, Inc.	\$	30,000
Center for Immigration Studies	\$	100,000
Children's Home Society of Florida	\$	30,000
Claremont Institute (The)	\$	10,000
Coalition of Educate Alternatives to Senseless Euthanasia, Inc.	\$	1,000
Community Child Care Center of Delray Beach	\$	19,700

SCAIFE FAMILY FOUNDATION - GRANTS PAID 2006 - Page 2

Crossroads Foundation	\$	25,000
Delaware Valley Golden Retriever Rescue, Inc.	\$	25,000
Dreamfinder Farms, Inc.	\$	18,000
Dress for Success Pittsburgh	\$	10,000
Edvocacy Corp	\$	100,000
Extra Mile Foundation, Inc., The	\$	10,000
Family Guidance, Inc.	\$	25,000
Fern Hollow Nature Center	\$	6,000
Fern Hollow Nature Center	\$	6,000
First Step Recovery Homes, Inc.	\$	27,000
FLA Four Legged Advocates, Inc.	\$	5,000
Flying Change, Inc.	\$	5,000
Friends of Sound Horses, Inc.	\$	5,000
Gateway Rehabilitation Center	\$	100,000
Good Grief Center	\$	10,000
Gratitude Guild, Inc.	\$	3,000
Hazelden Foundation	\$	80,000
Horse Haven of Tennessee, Inc.	\$	5,000
Horses and the Handicapped of South Florida, Inc.	\$	4,000
Institute for Research, Education & Training	\$	40,000
Magee Women's Health Foundation	\$	150,000
Magee Women's Health Foundation	\$	50,000
Make-A-Wish Foundation	\$	34,000
Make-A-Wish Foundation	\$	26,000
McCarthy's Wildlife Sanctuary, Inc.	\$	5,000
National Center for Missing and Exploited Children	\$	50,000
National Disaster Search Dog Foundation	\$	15,000
National Fatherhood Initiative	\$	30,000

SCAIFE FAMILY FOUNDATION - GRANTS PAID 2006 - Page 3

National Foundation for Teaching Entrepreneurship	\$	75,000
National Foundation for Teaching Entrepreneurship	\$	50,000
National Police Bloodhound Association, Inc.	\$	2,000
National Rural Alcohol and Drug Abuse Network, Inc.	\$	40,000
New York University - School of Medicine	\$	146,366
NumbersUSA Education & Research Foundation	\$	75,000
Opportunity, Inc.	\$	5,000
Paws With a Cause	\$	50,000
PB Cats, Inc.	\$	5,000
Philanthropy Roundtable	\$	10,000
Philanthropy Roundtable	\$	10,000
Pittsburgh Symphony Orchestra	\$	50,000
Place of Hope	\$	30,000
Planned Parenthood of Western PA	\$	25,000
ProEnglish	\$	25,000
Puppies Behind Bars, Inc.	\$	151,650
Radio Information Service	\$	10,000
Sewickley Valley YMCA	\$	10,000
St. Lukes Roosevelt Hospital Crime Victims Treatment Center	\$	66,164
St. Lukes Roosevelt Hospital Crime Victims Treatment Center	\$	96,000
St. Paul's Episcopal Church	\$	20,000
State University of New Jersey - Rutgers	\$	17,960
Strength, Inc.	\$	100,000
Strength, Inc.	\$	70,000
University of California - San Diego	\$	30,000
University of Pittsburgh - PIND	\$	1,050,000
Univeristy of Utah School of Alcoholism	\$	20,000

SCAIFE FAMILY FOUNDATION - GRANTS PAID 2006 - Page 4

Vinceremos Therapeutic Riding Center, Inc.	\$	50,000
Westmoreland Human Opportunities, Inc.	\$	10,000
		\$ 4,475,840

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.

For calendar year 2006, or tax year beginning , 2006, and ending

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation: **SCAIFE FAMILY FOUNDATION**

Number and street (or P.O. box number if mail is not delivered to street address): **PHILLIPS POINT, 777 SOUTH FLAGLER DRIVE**

Room/suite: **WEST TOWER**

City or town, state, and ZIP code: **WEST PALM BEACH, FL 33401**

Room/suite: **903**

City or town, state, and ZIP code: **WEST PALM BEACH, FL 33401**

A Employer identification number: **25-1427015**

B Telephone number (see page 11 of the instructions): **(561) 659-1188**

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) ▶ \$ **87,465,105.**

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

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

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 <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	1,858,528.	1,858,528.	NONE	STMT 1
	4 Dividends and interest from securities				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	7,436,487.			
	b Gross sales price for all assets on line 6a 41,704,712.				
	7 Capital gain net income (from Part IV, line 2)		7,436,487.		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	37,320.	37,320.	NONE	STMT 2	
12 Total. Add lines 1 through 11	9,332,335.	9,332,335.	NONE		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	227,458.	33,448.	NONE	194,009.
	14 Other employee salaries and wages	43,000.	NONE	NONE	43,000.
	15 Pension plans, employee benefits	38,888.	4,809.	NONE	34,079.
	16a Legal fees (attach schedule) STMT 3	549.	NONE	NONE	549.
	b Accounting fees (attach schedule) STMT 4	34,300.	17,150.	NONE	17,150.
	c Other professional fees (attach schedule) STMT 5	234,934.	230,984.	NONE	3,950.
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) *	104,204.	1,497.	NONE	10,607.
	19 Depreciation (attach schedule) and depletion	39,326.	NONE	NONE	STMT 5A
	20 Occupancy	106,721.	13,199.	NONE	93,522.
	21 Travel, conferences, and meetings	5,358.	NONE	NONE	5,358.
	22 Printing and publications				
	23 Other expenses (attach schedule) STMT 7	29,099.	3,631.	NONE	25,468.
	24 Total operating and administrative expenses. Add lines 13 through 23	863,837.	304,718.	NONE	427,692.
	25 Contributions, gifts, grants paid STMT 8	3,301,777.			4,475,840.
26 Total expenses and disbursements. Add lines 24 and 25	4,165,614.	304,718.	NONE	4,903,532.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	5,166,721.				
b Net investment income (if negative, enter -0-)		9,027,617.			
c Adjusted net income (if negative, enter -0-)			NONE		

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	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets				
1 Cash - non-interest-bearing	4,384.	6,650.	6,650.	
2 Savings and temporary cash investments STMT 21	3,135,122.	2,943,857.	2,943,857.	
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 16 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, STMT 9	2,539.	2,558.	2,558.	
10 a Investments - U.S. and state government obligations (attach schedule)* *	8,710,610.	10,503,461.	10,350,657.	
b Investments - corporate stock (attach schedule). STMT 11	41,704,182.	45,745,691.	55,047,820.	
c Investments - corporate bonds (attach schedule) STMT 12	5,203,170.	5,895,805.	5,860,882.	
11 Investments - land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule)				
12 Investments - mortgage loans				
13 Investments - other (attach schedule). STMT 13	11,076,829.	8,770,797.	13,144,868.	
14 Land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶ STMT 5A 243,729. 135,916.	147,138.	107,813.	107,813.	
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see page 17 of the instructions. Also, see page 1, item I)	69,983,974.	73,976,632.	87,465,105.	
Liabilities				
17 Accounts payable and accrued expenses				
18 Grants payable	4,545,676.	3,371,613.		
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)	4,545,676.	3,371,613.		
Net Assets or Fund Balances				
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
24 Unrestricted	65,438,298.	70,605,019.		
25 Temporarily restricted				
26 Permanently restricted				
Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>				
27 Capital stock, trust principal, or current funds				
28 Paid-in or capital surplus, or land, bldg., and equipment fund				
29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances (see page 18 of the instructions)	65,438,298.	70,605,019.		
31 Total liabilities and net assets/fund balances (see page 18 of the instructions)	69,983,974.	73,976,632.		

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	65,438,298.
2 Enter amount from Part I, line 27a	2	5,166,721.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	70,605,019.
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	70,605,019.

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 STATEMENT 16			
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			
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			
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	7,436,487.
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 18 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 19 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))
2005	4,736,801.	81,120,556.	0.05839211704
2004	4,141,530.	78,932,005.	0.05246959076
2003	4,028,828.	74,479,731.	0.05409294510
2002	4,380,399.	80,337,660.	0.05452485173
2001	4,420,576.	94,809,476.	0.04662588790
2 Total of line 1, column (d)			2 0.26610539253
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 0.05322107851
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5			4 83,228,896.
5 Multiply line 4 by line 3			5 4,429,532.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 90,276.
7 Add lines 5 and 6			7 4,519,808.
8 Enter qualifying distributions from Part XII, line 4			8 4,903,532.

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 19.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 19 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	90,276.
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	
3	Add lines 1 and 2	3	90,276.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-).	4	NONE
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	90,276.
6	Credits/Payments:		
a	2006 estimated tax payments and 2005 overpayment credited to 2006	6a	106,630.
b	Exempt foreign organizations-tax withheld at source	6b	NONE
c	Tax paid with application for extension of time to file (Form 8868).	6c	NONE
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	106,630.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	16,354.
11	Enter the amount of line 10 to be: Credited to 2007 estimated tax <input type="checkbox"/> 16,354. Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		N/A
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

Part VII-A Statements Regarding Activities Continued

11a 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) 11a X
b If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a? 11b X
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract? 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 X
Website address WWW.SCAIFFAMILY.ORG
14 The books are in care of SCAIFE FAMILY FOUNDATION Telephone no. 561-659-1188
Located at SEE STATEMENT 14 ZIP + 4 33401
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-F in lieu of Form 1041 - Check here N/A
and enter the amount of tax-exempt interest received or accrues during the year 15

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.

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? STMT 15 Yes No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? Yes No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) Yes No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? 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 2006? 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 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006? 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 page 22 of the instructions.) 2b N/A
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 2006 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 2006.) 3b N/A
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 2006? 4b X

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

- 5 a** 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 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 23 of the instructions)? **5b** *N/A*
- 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 *N/A* Yes No
If "Yes," attach the statement required by Regulations section 53.4945-5(d).
- 6 a** 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? Yes No **6b** *X*
If you answered "Yes" to 6b, also file Form 8870.
- 7 a** 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? Yes No **7b** *X*

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 23 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 STATEMENT 15		227,458.	23,340.	NONE

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 24 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 NONE

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 24 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 **NONE**

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 <u>NOT APPLICABLE</u>	
2 -----	
3 -----	
4 -----	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made up by the foundation during the tax year on lines 1 and 2.	Amount
1 <u>NONE</u>	
2 -----	
All other program-related investments. See page 25 of the instructions.	
3 <u>NONE</u>	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 25 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	84,480,610.
b	Average of monthly cash balances	1b	15,731.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	84,496,341.
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	NONE
3	Subtract line 2 from line 1d	3	84,496,341.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 26 of the instructions)	4	1,267,445.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	83,228,896.
6	Minimum investment return. Enter 5% of line 5	6	4,161,445.

Part XI Distributable Amount (see page 26 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	4,161,445.
2a	Tax on investment income for 2006 from Part VI, line 5	2a	90,276.
b	Income tax for 2006. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	90,276.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	4,071,169.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	4,071,169.
6	Deduction from distributable amount (see page 26 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	4,071,169.

Part XII Qualifying Distributions (see page 26 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	4,903,532.
b	Program-related investments - total from Part IX-B	1b	NONE
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	4,903,532.
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 27 of the instructions)	5	90,276.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	4,813,256.

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 27 of the instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
1 Distributable amount for 2006 from Part XI, line 7				4,071,169.
2 Undistributed income, if any, as of the end of 2005:				
a Enter amount for 2005 only			NONE	
b Total for prior years: 2004,		NONE		
3 Excess distributions carryover, if any, to 2006:				
a From 2001	NONE			
b From 2002	401,566.			
c From 2003	256,697.			
d From 2004	259,012.			
e From 2005	819,237.			
f Total of lines 3a through e	1,736,512.			
4 Qualifying distributions for 2006 from Part XII, line 4: ▶ \$ 4,903,532.				
a Applied to 2005, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see page 27 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 27 of the instructions)				
d Applied to 2006 distributable amount				4,071,169.
e Remaining amount distributed out of corpus	832,363.			
5 Excess distributions carryover applied to 2006 (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	2,568,875.			
b Prior years' undistributed income. Subtract line 4b from line 2b		NONE		
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		NONE		
e Undistributed income for 2005. Subtract line 4a from line 2a. Taxable amount - see page 27 of the instructions			NONE	
f Undistributed income for 2006. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2007				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 28 of the instructions)				
8 Excess distributions carryover from 2001 not applied on line 5 or line 7 (see page 28 of the instructions)	NONE			
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	2,568,875.			
10 Analysis of line 9:				
a Excess from 2002	401,566.			
b Excess from 2003	256,697.			
c Excess from 2004	259,012.			
d Excess from 2005	819,237.			
e Excess from 2006	832,363.			

Part XIV Private Operating Foundations (see page 28 of the instructions and Form 990-PF, Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2006, 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)

Table with 5 columns: (a) 2006, (b) 2005, (c) 2004, (d) 2003, (e) Total. Rows include: 2a Adjusted net income, 2b 85% of line 2a, 2c Qualifying distributions, 2d Amounts included in line 2c not used directly for active conduct of exempt activities, 2e Qualifying distributions made directly for active conduct of exempt activities, 3 Alternative tests (Assets, Endowment, Support).

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 28 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).)

N/A

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.

N/A

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:

SEE STATEMENT 17

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

SEE STATEMENT 17

c Any submission deadlines:

STATEMENT 17

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

STATEMENT 17

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE STATEMENT 19				4,475,840.
Total ▶ 3a				4,475,840.
b Approved for future payment SEE STATEMENT 19				3,371,613.
Total ▶ 3b				3,371,613.

Form 990-PF (2006)

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
DIVIDEND INCOME	958,338.	958,338.	NONE
INTEREST INCOME	900,190.	900,190.	NONE
TOTAL	1,858,528.	1,858,528.	NONE