

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

2008

Department of the Treasury
Internal Revenue Service

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

For calendar year 2008, or tax year beginning , 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 Sterling-Turner Foundation		A Employer identification number 74-1460482
	Number and street (or P.O. box number if mail is not delivered to street address) 815 Walker	Room/suite 1543	B Telephone number (see page 10 of the instructions) 713-237-1117
	City or town, state, and ZIP code Houston TX 77002-5724		C If exemption application is pending, check here <input type="checkbox"/> u D 1. Foreign organizations, check here <input type="checkbox"/> u 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> u E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> u F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/> u
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) u\$ 58,460,103		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	

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 pg. 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 u <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	249	249		
	4 Dividends and interest from securities	1,365,466	1,365,466		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	3,578,552			
	b Gross sales price for all assets on line 6a	4,098,520			
	7 Capital gain net income (from Part IV, line 2)		3,578,552		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns & allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	4,944,267	4,944,267	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	2,500			2,500
	14 Other employee salaries and wages	55,250			55,250
	15 Pension plans, employee benefits	17,321			17,321
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) Stmt 1	5,400	1,350		4,050
	c Other professional fees (attach schedule) Stmt 2	45,106	45,106		
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) Stmt 3	23,726			
	19 Depreciation (attach schedule) and depletion Stmt 4	13,795			
	20 Occupancy	29,562			29,562
	21 Travel, conferences, and meetings	2,542			2,542
	22 Printing and publications				
	23 Other expenses (att. sch.) Stmt 5	11,982	5,991		5,991
	24 Total operating and administrative expenses. Add lines 13 through 23	207,184	52,447		117,216
	25 Contributions, gifts, grants paid	4,131,634			4,131,634
26 Total expenses and disbursements. Add lines 24 and 25	4,338,818	52,447	0	4,248,850	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses & disbursements	605,449				
b Net investment income (if negative, enter -0-)		4,891,820			
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		End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1 Cash—non-interest-bearing	328,230	263,927	263,927	
	2 Savings and temporary cash investments				
	3 Accounts receivable u				
	Less: allowance for doubtful accounts u				
	4 Pledges receivable u				
	Less: allowance for doubtful accounts u				
	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 (att. schedule) u See Wrk	3,605			
	Less: allowance for doubtful accounts u	3,605	3,605	3,605	
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges	40,164	32,484	32,484	
	10a Investments—U.S. and state government obligations (attach schedule)				
	b Investments—corporate stock (attach schedule) See Stmt 6	4,209,262	4,955,926	58,160,087	
	c Investments—corporate bonds (attach schedule)				
	11 Investments—land, buildings, and equipment: basis u				
Less: accumulated depreciation (attach sch.) u					
12 Investments—mortgage loans					
13 Investments—other (attach schedule)					
14 Land, buildings, and equipment: basis u	133,455				
Less: accumulated depreciation (attach sch.) u Stmt 7	128,912	18,338	4,543		
15 Other assets (describe u See Statement 8)	62,708	7,173			
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	4,662,307	5,267,658	58,460,103		
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 u)				
	23 Total liabilities (add lines 17 through 22)	0	0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds	4,361,482	4,662,308		
	28 Paid-in or capital surplus, or land, bldg., and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds	300,825	605,350		
30 Total net assets or fund balances (see page 17 of the instructions)	4,662,307	5,267,658			
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	4,662,307	5,267,658			

Part III Analysis of Changes in Net Assets or Fund Balances		
1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	4,662,307
2 Enter amount from Part I, line 27a	2	605,449
3 Other increases not included in line 2 (itemize) u	3	
4 Add lines 1, 2, and 3	4	5,267,756
5 Decreases not included in line 2 (itemize) u See Statement 9	5	98
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	5,267,658

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	30000 sh Pfizer	P	Various	6/02/08
b	3300 sh Occidental Petroleum	P	7/24/08	8/20/08
c	41500 sh Exxon Mobil	P	Various	12/08/08
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	571,877	157,613	414,264	
b	267,774	239,448	28,326	
c	3,258,869	122,907	3,135,962	
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) 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			414,264	
b			28,326	
c			3,135,962	
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	3,578,552
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	28,326

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))
2007	1,609,217	67,769,735	0.023745
2006	2,139,902	54,920,007	0.038964
2005	3,683,449	50,995,977	0.072230
2004	3,111,006	43,946,746	0.070790
2003	2,688,479	38,003,447	0.070743
2 Total of line 1, column (d)			2 0.276472
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 0.055294
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5			4 64,515,872
5 Multiply line 4 by line 3			5 3,567,341
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 48,918
7 Add lines 5 and 6			7 3,616,259
8 Enter qualifying distributions from Part XII, line 4			8 4,248,850

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 <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	48,918
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	48,918
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	48,918
6	Credits/Payments:		
a	2008 estimated tax payments and 2007 overpayment credited to 2008	6a	32,484
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	32,484
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	16,434
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be: Credited to 2009 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
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)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. u \$ _____ (2) On foundation managers. u \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. u \$ _____		
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.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) u TX		
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	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

<p>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)</p>	11		X
<p>12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?</p>	12		X
<p>13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address u www.sterlingturnerfoundation.org</p>	13	X	
<p>14 The books are in care of u Patricia Stillely Telephone no. u 713-237-1117 815 Walker, Suite 1543 Located at u Houston, TX ZIP+4 u 77002-5724</p>			
<p>15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year u 15</p>			<input type="checkbox"/>

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
<p>1a During the year did the foundation (either directly or indirectly):</p> <p>(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>			
<p>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)? Organizations relying on a current notice regarding disaster assistance check here u <input type="checkbox"/></p>	1b		X
<p>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 2008?</p>	1c		X
<p>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)):</p> <p>a At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years u 20, 20, 20, 20</p> <p>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.)</p>	2b		N/A
<p>c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. u 20, 20, 20, 20</p>			
<p>3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b If "Yes," did it have excess business holdings in 2008 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 2008.)</p>	3b		N/A
<p>4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?</p>	4a		X
<p>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 2008?</p>	4b		X

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (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)? **N/A** **5b**

Organizations relying on a current notice regarding disaster assistance check here **u**

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** Yes No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** **X**

If you answered "Yes" to 6b, also file Form 8870.

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

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

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

1 List all officers, directors, trustees, foundation managers and their compensation (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 Statement 10				

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 **u** **0**

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (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 N/A	
2	
3 All other program-related investments. See page 24 of the instructions.	
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	64,918,874
b	Average of monthly cash balances	1b	579,473
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	65,498,347
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	65,498,347
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	982,475
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	64,515,872
6	Minimum investment return. Enter 5% of line 5	6	3,225,794

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	3,225,794
2a	Tax on investment income for 2008 from Part VI, line 5	2a	48,918
b	Income tax for 2008. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	48,918
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	3,176,876
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	3,176,876
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	3,176,876

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	4,248,850
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	4,248,850
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	48,918
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	4,199,932

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 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				3,176,876
2 Undistributed income, if any, as of the end of 2007:				
a Enter amount for 2007 only			692,428	
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2008:				
a From 2003				
b From 2004				
c From 2005				
d From 2006				
e From 2007				
f Total of lines 3a through e				
4 Qualifying distributions for 2008 from Part XII, line 4: u \$ 4,248,850				
a Applied to 2007, but not more than line 2a			692,428	
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 2008 distributable amount				3,176,876
e Remaining amount distributed out of corpus	379,546			
5 Excess distributions carryover applied to 2008 (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	379,546			
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 2007. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions				
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				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 2003 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	379,546			
10 Analysis of line 9:				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008	379,546			

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 13				4,131,634
Total			u 3a	4,131,634
b Approved for future payment N/A				
Total			u 3b	

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Accounting Fees	\$ 5,400	\$ 1,350	\$	\$ 4,050
Total	<u>\$ 5,400</u>	<u>\$ 1,350</u>	<u>\$ 0</u>	<u>\$ 4,050</u>

Statement 2 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Investment Advisory Fees	\$ 45,106	\$ 45,106	\$	\$
Total	<u>\$ 45,106</u>	<u>\$ 45,106</u>	<u>\$ 0</u>	<u>\$ 0</u>

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Taxes - Federal Excise	\$ 23,726	\$	\$	\$
Total	<u>\$ 23,726</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 19 - Depreciation

Description								
Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income	
Furniture & Equipment 1/01/99	\$ 9,727	\$ 9,727	S/L	5				\$
Furniture & Equipment 6/15/01	1,495	1,456	S/L	7	39			
Furniture & Equipment 1/15/02	35,325	30,278	S/L	7	5,047			
Computer Equipment 2/05/02	856	856	S/L	5				
Furniture & Equipment 2/05/02	19,871	16,796	S/L	7	2,838			
Computer Equipment 9/09/02	5,346	5,346	S/L	5				
Office Furniture 5/15/02	16,091	13,026	S/L	7	2,298			
Office Furniture 6/18/02	3,919	3,079	S/L	7	560			
Office Furniture 7/31/02	596	461	S/L	7	85			
Office Furniture 8/29/02	1,250	953	S/L	7	178			
Computer Equipment 10/18/02	2,100	2,100	S/L	5				
Computer Equipment 12/13/02	1,081	1,081	S/L	5				
Computer Equipment 6/15/01	1,035	1,035	S/L	5				
Telephone Installation 3/01/02	3,285	3,285	S/L	5				
Filing Cabinets 1/28/02	2,625	2,219	S/L	7	375			
Cabling & Wiring 2/11/02	2,159	2,159	S/L	5				
3 pcs software/printer memory upgrade 8/26/02	8,257	8,257	S/L	5				
Console Table & Rug 9/20/02	1,577	1,182	S/L	7	226			
Server & Software 12/13/02	5,323	5,323	S/L	5				

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description									
Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income		
Server									
1/13/03	\$ 1,949	\$ 1,949	S/L	5		\$	\$		\$
Sony 19" Flat Screen Monitor									
3/02/04	1,034	793	S/L	5	207				
19" Samsung Monitor									
5/28/04	269	193	S/L	5	54				
Computer Equipment - Server									
12/28/06	5,490	2,361	200DB	5	1,251				
2 Desktops Computers & Equipment									
12/28/06	2,795	1,202	200DB	5	637				
Total	\$ 133,455	\$ 115,117			\$ 13,795	\$ 0	\$ 0		\$ 0

Federal Statements

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	\$	\$	\$	\$
Expenses				
Entertainment & Meals	92	46		46
Library & Documentation	241	120		121
Director Insurance	1,800	900		900
Miscellaneous	157	79		78
Office Maintenance	1,770	885		885
Office Supplies	1,108	554		554
Parking	1,496	748		748
Postage	387	194		193
Telephone	2,936	1,468		1,468
Workers' Comp Insurance	1,995	997		998
Total	\$ 11,982	\$ 5,991	\$ 0	\$ 5,991

Federal Statements**Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
Investment in Common & Preferred Stk	\$ <u>4,209,262</u>	\$ <u>4,955,926</u>		\$ <u>58,160,087</u>
Total	\$ <u><u>4,209,262</u></u>	\$ <u><u>4,955,926</u></u>		\$ <u><u>58,160,087</u></u>

Federal Statements**Statement 7 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment**

<u>Description</u>	<u>Beginning Net Book</u>	<u>End Cost / Basis</u>	<u>End Accumulated Depreciation</u>	<u>Net FMV</u>
Depreciable Assets	\$ <u>18,338</u>	\$ <u>133,455</u>	\$ <u>128,912</u>	\$ <u> </u>
Total	\$ <u><u>18,338</u></u>	\$ <u><u>133,455</u></u>	\$ <u><u>128,912</u></u>	\$ <u><u> 0</u></u>

Federal Statements**Statement 8 - Form 990-PF, Part II, Line 15 - Other Assets**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Fair Market Value</u>
Due to/from related parties	\$ 62,708	\$ 7,173	\$
Total	<u>\$ 62,708</u>	<u>\$ 7,173</u>	<u>\$ 0</u>

Statement 9 - Form 990-PF, Part III, Line 5 - Other Decreases

<u>Description</u>	<u>Amount</u>
Nondeductible Meals & Entertainment	\$ 93
Nondeductible Tax Penalties	5
Total	<u>\$ 98</u>

Federal Statements

**Statement 10 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees,
Etc.**

<u>Name and Address</u>	<u>Title</u>	<u>Average Hours</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Expenses</u>
T.R. Reckling, III 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0
Isla C. Reckling 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0
Bert F. Winston, Jr. 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0
Chaille W. Hawkins 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0
Christiana R. McConn 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0
Thomas R. Reckling, IV 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0
James S. Reckling 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0
Blake W. Winston 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0
Stephen M. Reckling 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0
Carroll R. Goodman 815 Walker, Suite 1543	Trustee	0	100	0	0

Federal Statements

**Statement 10 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees,
Etc. (continued)**

<u>Name and Address</u>	<u>Title</u>	<u>Average Hours</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Expenses</u>
Houston TX 77002-5724					
John B. Reckling 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0
Thomas K. Reckling 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	100	0	0
L. David Winston 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	100	0	0
Bert F. Winston, III 815 Walker, Suite 1543 Houston TX 77002-5724	Trustee	0	200	0	0

Federal Statements**Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or \$5,000**

Name of Manager	Amount
None	\$ _____
Total	\$ <u> 0</u>

Form 990-PF, Part XV, Line 1b - Managers Who Own 10% or More Stock

Name of Manager	Amount
None	\$ _____
Total	\$ <u> 0</u>

Statement 11 - Form 990-PF, Part XV, Line 2b - Application Format and Required ContentsDescription

Application forms and instructions on the Sterling Turner website. Documentation must be accompanied by copy of IRS 501 (c) (3) exemption letter.

Form 990-PF, Part XV, Line 2c - Submission DeadlinesDescription

Any time prior to March 1 of each year.

Statement 12 - Form 990-PF, Part XV, Line 2d - Award Restrictions or LimitationsDescription

Awards limited to Texas Public Charities which are exempt under Revenue Code 501 (c) (3). The charities must be within certain geographic boundaries.

Federal Statements

**Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year**

Name	Address	Relationship	Status	Purpose	Amount
Alley Theater	615 Texas Ave.				
Houston TX 77002	N/A	501.C.3	Operating Funds	75,000	
Angela House	425 Shane # 18				
Houston TX 77037	N/A	501.C.3	Operating Funds	50,000	
Austin Community Foundati	PO Box 5159				
Austin TX 78763	N/A	501.C.3		25,000	
Baylor College of Medicin	One Baylor Plaza				
Houston TX 77030	N/A	501.C.3		55,000	
Big Brothers Big Sisters	6437 High Star				
Houston TX 77074	N/A	501.C.3	Operating Funds	25,000	
Bo's Place	10050 Buffalo Speedway				
Houston TX 77054	N/A	501.C.3	Operating Fund	15,000	
Buen Samaritano Episcopal	7000 Woodhue Drive				
Austin TX 78745	N/A	501.C.3	Operating Funds	10,000	
Camp for All	10500 N Freeway, # 220				
Houston TX 77092	N/A	501.C.3	Operating Funds	5,000	
CanCare of Houston, Inc.	9575 Katy Freeway, Ste 42				
Houston TX 77024	N/A	501.C.3	Operating Funds	25,000	
Caritas of Austin	611 Neches				
Austin TX 78701	N/A	501.c.3	Operating Funds	50,000	
Center for Hearing/Speech	3636 W Dallas				
Houston TX 77019	N/A	501.C.3	Operating Funds	30,000	
Children's Medical Center	4900 Mueller Blvd				
Austin TX 78723	N/A	501.C.3		25,000	
Communities of the Street	3401 Fannin Street				
Houston TX 77004	N/A	501.c.3	Operating Funds	25,000	
Dabney Foundation	12335 Kingsride, # 347				
Houston TX 77024	N/A	501.C.3	Building Funds	25,000	
DePelchin Center	4950 Memorial Dr				
Houston TX 77007	N/A	501.C.3	Operating Funds	15,000	
End Hunger	2445 North Freeway				
Houston TX 77009	N/A	501.C.3		50,000	
Episcopal High School	4650 Bissonnet				
Bellaire TX 77401	N/A	501.C.3		360,000	
Forge for Families	3150 Yellowstone Blvd				
Houston TX 77054	N/A	501.C.3	Operating Funds	10,000	
Foundation for Tomorrow	2902 Prescott St.				
Houston TX 77025	N/A	501.C.3	Operating Funds	200,000	

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name	Address	Relationship	Status	Purpose	Amount
Gathering Place	PO Box 35561				
Houston TX 77235	N/A		501.C.3	Operating Funds	15,000
Goodwill Industries	10795 Hammerly Blvd				
Houston TX 77043	N/A		501.C.3	Operating Funds	25,000
Helping a Hero	PO Box 58127				
Nassau Bay TX 77258	N/A		501.C.3	Building Funds	50,000
Hermann Park Conservancy	6201-A Golf Course Dr				
Houston TX 77030	N/A		501.C.3	Operating Funds	25,000
Hill Country CASA	P.O. Box 290965				
Kerrville TX 78029	N/A		501.C.3	Operating Funds	20,000
Hill Country Jr Livestock	3655 Highway 27				
Kerville TX 78028	N/A		501.C.3	Scholarships	10,000
Hill Country Youth Ranch	3522 Junction Highway				
Ingram TX 78025	N/A		501.C.3	Operating Funds	75,000
Hits Theater	311 W. 18th Street				
Houston TX 77008	N/A		501.C.3	Operating Funds	20,000
Houston Achievement Place	245 W 17th Street				
Houston TX 77008	N/A		501.C.3	Operating Funds	25,000
Houston Arboretum & Natur	4501 Woodway				
Houston TX 77024	N/A		501.C.3	Operating Funds	25,000
Houston Area Immunization	6621 Fannin St # FC240				
Houston TX 77030	N/A		501.C.3		15,000
Houston Ballet	P.O. Box 130487				
Houston TX 77219	N/A		501.C.3	Operating Funds	75,000
Houston Grand Opera	510 Preston St., Ste 50				
Houston TX 77002-1594	N/A		501.C.3	Operating Funds	25,000
Houston Hope	2220 Broadway				
Houston TX 77012	N/A		501.C.3	Operating Funds	50,000
Houston Museum of Natural	One Hermann Circle Dr				
Houston TX 77030	N/A		501.C.3	Operating Funds	25,000
Houston PBS	4343 Elgin				
Houston TX 77004	N/A		501.C.3	Operating Funds	24,000
Houston Symphony Society	615 Louisiana				
Houston TX 77002	N/A		501.C.3	Operating Funds	25,000
Houston Zoo	1513 N. MacGregor				
Houston TX 77030	N/A		501.C.3		100,000
Hunt Volunteer Fire Depart	PO Box 362				
Hunt TX 78024	N/A		501.C.3	Operating Funds	15,000

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name	Address	Relationship	Status	Purpose	Amount
Ingram ISD	510 College St.				
Ingram TX 78025	N/A		501.C.3	Scholarships	5,000
Inprint, Inc.	1520 W Main				
Houston TX 77006	N/A		501.C.3	Operating Funds	10,000
Interfaith Ministries	3217 Montrose Blvd.				
Houston TX 77006	N/A		501.C.3	Operating Funds	25,000
Kappa Kappa Gamma Foundat	PO Box 56124				
Houston TX 77256	N/A		501.C.3	Operating Funds	10,000
Katy Prairie Conservancy	3015 Richmond # 230				
Houston TX 77098	N/A		501.C.3	Education Programs	25,000
Kid's Advocacy Place	313 Leslie Drive				
Kerrville TX 78029	N/A		501.C.3	Operating Funds	15,000
Kinkaid School	201 Kinkaid School Drive				
Houston TX 77024	N/A		501.C.3	Operating Funds	100,000
MD Anderson Children's CC	1515 Holcombe Blvd.				
Houston TX 77030	N/A		501.C.3	Operating Funds	25,000
Memorial Dr Presbyterian	11612 Memorial Dr.				
Houston TX 77024	N/A		501.C.3	Operating Funds	10,000
Monarch School	1231 Wirt Rd				
Houston TX 77055	N/A		501.C.3	Building Funds	25,000
Museum of Fine Arts	P.O. Box 6826				
Houston TX 77265	N/A		501.C.3	Operating Funds	100,000
Open Door Mission	5803 Harrisburg				
Houston TX 77011	N/A		501.C.3	Operating Funds	50,000
Partners in Ministry	301 Junction Hwy # 341				
Kerrville TX 78028	N/A		501.C.3	Youth Program	25,000
Pathways for Little Feet	8 Greenway Plaza, # 1000				
Houston TX 77046	N/A		501.C.3		25,000
Presbyterian School	5300 Main St.				
Houston TX 77002	N/A		501.C.3	Operating Funds	62,500
Pro-Vision, Inc.	4422 Balkin Street				
Houston TX 77021	N/A		501.C.3	Operating Funds	20,000
San Angelo Christian Acad	518 Country Club Rd				
San Angelo TX 76904	N/A		501.C.3	Bus Purchase	400,000
San Angelo Museum of Fine	One Love Street				
San Angelo TX 76903	N/A		501.C.3	Operating Funds	45,134
Schreiner University	2100 Memorial Blvd.				
Kerrville TX 78028-5697	N/A		501.C.3	Operating Funds	30,000

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name	Address	Relationship	Status	Purpose	Amount
Seton Hospital	1206 W 38th St, # 4200 Austin TX 78705	N/A	501.C.3		25,000
St. Agnes Academy	9000 Bellaire Blvd. Houston TX 77036	N/A	501.C.3	Operating Funds	400,000
St. Michael's Catholic Ch	3000 Barton Creek Blvd. Houston TX 78735	N/A	501.C.3	Building Funds	500,000
St. Thomas High School	4500 Memorial Dr. Houston TX 77007	N/A	501.C.3		25,000
Star of Hope	6897 Ardmore Street Houston TX 77054	N/A	501.C.3	Operating Funds	50,000
Strake Jesuit High School	8900 Bellaire Blvd Houston TX 77036	N/A	501.C.3	Operating Funds	10,000
Texas Children's Hospital	PO Box 300630 - MC 4-4483 Houston TX 77230	N/A	501.C.3		45,000
Texas Christian Universit	2800 S. University Dr. Fort Worth TX 76109	N/A	501.C.3	Capital Campaign	250,000
University of Houston Moo	Mail Stop 4201 Houston TX 77204-4016	N/A	501.C.3	Band Operating Funds	50,000
Way Station @ Palmer Memo	6221 Main Street Houston TX 77030	N/A	501.C.3	Operating Funds	15,000
YMCA of Austin	1402 E Cesar Chavez Austin TX 78702	N/A	501.C.3	Operating Funds	10,000
YMCA of Greater Houston-T	1331 Augusta Dr. Houston TX 77057	N/A	501.C.3	Scholarship	15,000
Young Life West Houston	725 Bateswood Dr. # 110 Houston TX 77079	N/A	501.C.3	Operating Funds	10,000
Total					<u>4,131,634</u>

Federal Asset Report

Form 990, Page 1

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	Per Conv Meth	Prior	Current
Prior MACRS:									
24	Computer Equipment - Server	12/28/06	5,490			5,490	5 MQ200DB	2,361	1,251
25	2 Desktops Computers & Equipment	12/28/06	2,795			2,795	5 MQ200DB	1,202	637
			<u>8,285</u>			<u>8,285</u>		<u>3,563</u>	<u>1,888</u>
Other Depreciation:									
1	Furniture & Equipment	1/01/99	9,727			9,727	5 MO S/L	9,727	0
2	Furniture & Equipment	6/15/01	1,495			1,495	7 MO S/L	1,456	39
3	Furniture & Equipment	1/15/02	35,325			35,325	7 MO S/L	30,278	5,047
5	Computer Equipment	2/05/02	856			856	5 MO S/L	856	0
6	Furniture & Equipment	2/05/02	19,871			19,871	7 MO S/L	16,796	2,838
7	Computer Equipment	9/09/02	5,346			5,346	5 MO S/L	5,346	0
8	Office Furniture	5/15/02	16,091			16,091	7 MO S/L	13,026	2,298
9	Office Furniture	6/18/02	3,919			3,919	7 MO S/L	3,079	560
10	Office Furniture	7/31/02	596			596	7 MO S/L	461	85
11	Office Furniture	8/29/02	1,250			1,250	7 MO S/L	953	178
12	Computer Equipment	10/18/02	2,100			2,100	5 MO S/L	2,100	0
13	Computer Equipment	12/13/02	1,081			1,081	5 MO S/L	1,081	0
14	Computer Equipment	6/15/01	1,035			1,035	5 MO S/L	1,035	0
15	Telephone Installation	3/01/02	3,285			3,285	5 MO S/L	3,285	0
16	Filing Cabinets	1/28/02	2,625			2,625	7 MO S/L	2,219	375
17	Cabling & Wiring	2/11/02	2,159			2,159	5 MO S/L	2,159	0
18	3 pcs software/printer memory upgrade	8/26/02	8,257			8,257	5 MO S/L	8,257	0
19	Console Table & Rug	9/20/02	1,577			1,577	7 MO S/L	1,182	226
20	Server & Software	12/13/02	5,323			5,323	5 MO S/L	5,323	0
21	Server	1/13/03	1,949			1,949	5 MO S/L	1,949	0
22	Sony 19" Flat Screen Monitor	3/02/04	1,034			1,034	5 MO S/L	793	207
23	19" Samsung Monitor	5/28/04	269			269	5 MO S/L	193	54
	Total Other Depreciation		<u>125,170</u>			<u>125,170</u>		<u>111,554</u>	<u>11,907</u>
	Total ACRS and Other Depreciation		<u>125,170</u>			<u>125,170</u>		<u>111,554</u>	<u>11,907</u>
	Grand Totals		133,455			133,455		115,117	13,795
	Less: Dispositions		0			0		0	0
	Less: Start-up/Org Expense		0			0		0	0
	Net Grand Totals		<u>133,455</u>			<u>133,455</u>		<u>115,117</u>	<u>13,795</u>

AMT Asset Report

Form 990, Page 1

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	Per Conv Meth	Prior	Current
Prior MACRS:									
24	Computer Equipment - Server	12/28/06	5,490			5,490	5 MQ 150DB	1,791	1,110
25	2 Desktops Computers & Equipment	12/28/06	2,795			2,795	5 MQ 150DB	912	565
			<u>8,285</u>			<u>8,285</u>		<u>2,703</u>	<u>1,675</u>
Other Depreciation:									
1	Furniture & Equipment	1/01/99	0			0	0 HY	0	0
2	Furniture & Equipment	6/15/01	0			0	0 HY	0	0
3	Furniture & Equipment	1/15/02	0			0	0 HY	0	0
5	Computer Equipment	2/05/02	0			0	0 HY	0	0
6	Furniture & Equipment	2/05/02	0			0	0 HY	0	0
7	Computer Equipment	9/09/02	0			0	0 HY	0	0
8	Office Furniture	5/15/02	0			0	0 HY	0	0
9	Office Furniture	6/18/02	0			0	0 HY	0	0
10	Office Furniture	7/31/02	0			0	0 HY	0	0
11	Office Furniture	8/29/02	0			0	0 HY	0	0
12	Computer Equipment	10/18/02	0			0	0 HY	0	0
13	Computer Equipment	12/13/02	0			0	0 HY	0	0
14	Computer Equipment	6/15/01	0			0	0 HY	0	0
15	Telephone Installation	3/01/02	0			0	0 HY	0	0
16	Filing Cabinets	1/28/02	0			0	0 HY	0	0
17	Cabling & Wiring	2/11/02	0			0	0 HY	0	0
18	3 pcs software/printer memory upgrade	8/26/02	0			0	0 HY	0	0
19	Console Table & Rug	9/20/02	0			0	0 HY	0	0
20	Server & Software	12/13/02	0			0	0 HY	0	0
21	Server	1/13/03	1,949			1,949	5 MO S/L	1,949	0
22	Sony 19" Flat Screen Monitor	3/02/04	1,034			1,034	5 MO S/L	793	207
23	19" Samsung Monitor	5/28/04	269			269	5 MO S/L	193	54
	Total Other Depreciation		<u>3,252</u>			<u>3,252</u>		<u>2,935</u>	<u>261</u>
	Total ACRS and Other Depreciation		<u>3,252</u>			<u>3,252</u>		<u>2,935</u>	<u>261</u>
	Grand Totals		11,537			11,537		5,638	1,936
	Less: Dispositions		<u>0</u>			<u>0</u>		<u>0</u>	<u>0</u>
	Net Grand Totals		<u>11,537</u>			<u>11,537</u>		<u>5,638</u>	<u>1,936</u>