

Return of Private Foundation

OMB No. 1545-0052

Department of the Treasury
Internal Revenue Service (77)or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

2007

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

For calendar year 2007, 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 Danville Regional Foundation		A Employer identification number 20-3319727
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 1103 South Main Street		B Telephone number 434-799-2176
	City or town, state, and ZIP code Danville, VA 24541		C If exemption application is pending, check here <input type="checkbox"/>
			D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
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) \$ 214,184,788. (Part I, column (d) must be on cash basis.)		J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	
E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>			
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>			

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions gifts grants etc received			N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	560,949.	560,949.		
	4 Dividends and interest from securities	6,903,942.	6,903,942.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	6,559,553.			
	b Gross sales price for all assets on line 6a	105,958,404.			
	7 Capital gain net income (from Part IV line 2)		6,559,553.		
	8 Net short-term capital gain				
	9 Income modifications				
10a Gross sales less returns and allowances					
b Less: Cost of goods sold					
c Gross profit or (loss)					
11 Other income	<111,425.>	<111,425.>		Statement 1	
12 Total. Add lines 1 through 11	13,913,019.	13,913,019.			
Operating and Administrative Expenses	13 Compensation of officers directors trustees, etc	74,769.	0.		74,769.
	14 Other employee salaries and wages	22,956.	0.		22,956.
	15 Pension plans employee benefits	23,798.	0.		23,798.
	16a Legal fees Stmt 2	36,256.	0.		36,256.
	b Accounting fees Stmt 3	28,515.	0.		28,515.
	c Other professional fees Stmt 4	1,520,734.	1,091,016.		429,718.
	17 Interest				
	18 Taxes Stmt 5	171,510.	0.		6,543.
	19 Depreciation and depletion	9,858.	0.		
	20 Occupancy				
	21 Travel, conferences, and meetings	20,354.	0.		20,354.
	22 Printing and publications				
	23 Other expenses Stmt 6	86,197.	1,686.		84,511.
	24 Total operating and administrative expenses Add lines 13 through 23	1,994,947.	1,092,702.		727,420.
	25 Contributions gifts grants paid	25,000.			17,470,000.
26 Total expenses and disbursements Add lines 24 and 25	2,019,947.	1,092,702.		18,197,420.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	11,893,072.				
b Net investment income (if negative enter -0-)		12,820,317.			
c Adjusted net income (if negative, enter -0-)			N/A		

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

Form 990-PF (2007)

COPY

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only.

	Beginning of year (a) Book Value	End of year	
		(b) Book Value	(c) Fair Market Value
Assets			
1 Cash - non-interest-bearing	161,542.		
2 Savings and temporary cash investments	19,755,525.	3,393,129.	3,393,129.
3 Accounts receivable ▶			
Less: allowance for doubtful accounts ▶	26,857.		
4 Pledges receivable ▶			
Less: allowance for doubtful accounts ▶			
5 Grants receivable			
6 Receivables due from officers, directors, trustees, and other disqualified persons			
7 Other notes and loans receivable ▶			
Less: allowance for doubtful accounts ▶			
8 Inventories for sale or use			
9 Prepaid expenses and deferred charges	30,457.	37,409.	37,409.
10a Investments - U.S. and state government obligations			
b Investments - corporate stock Stmt 8	94,875,547.	117,310,493.	117,310,493.
c Investments - corporate bonds			
11 Investments - land, buildings and equipment: basis ▶			
Less: accumulated depreciation ▶			
12 Investments - mortgage loans			
13 Investments - other Stmt 9	98,470,158.	93,289,738.	93,289,738.
14 Land, buildings, and equipment: basis ▶ 62,038.			
Less: accumulated depreciation Stmt 10 ▶ 9,858.	22,565.	52,180.	52,181.
15 Other assets (describe ▶ Statement 11)	162,661.	101,838.	101,838.
16 Total assets (to be completed by all filers)	213,505,312.	214,184,787.	214,184,788.
Liabilities			
17 Accounts payable and accrued expenses	392,176.	322,247.	
18 Grants payable	17,445,000.		
19 Deferred revenue			
20 Loans from officers, directors, trustees, and other disqualified persons			
21 Mortgages and other notes payable			
22 Other liabilities (describe ▶ Statement 12)	243,236.	369,262.	
23 Total liabilities (add lines 17 through 22)	18,080,412.	691,509.	
Net Assets or Fund Balances			
Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
24 Unrestricted	195,424,900.	213,493,278.	
25 Temporarily restricted			
26 Permanently restricted			
Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
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	195,424,900.	213,493,278.	
30 Total net assets or fund balances			
31 Total liabilities and net assets/fund balances	213,505,312.	214,184,787.	

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	195,424,900.
2 Enter amount from Part I line 27a	2	11,893,072.
3 Other increases not included in line 2 (itemize) ▶ Unrealized gains on investments	3	6,301,332.
4 Add lines 1, 2, and 3	4	213,619,304.
5 Decreases not included in line 2 (itemize) ▶ See Statement 7	5	126,026.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	213,493,278.

COPY

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 Sale of securities and capital gain				
b dividends - see statement 14		P		
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 105,958,404.		99,398,851.	6,559,553.
c			
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) FMV 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			6,559,553.
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	6,559,553.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8	3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2006	473,290.	109,187,208.	.004335
2005			
2004			
2003			
2002			

2 Total of line 1, column (d)	2	.004335
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	.004335
4 Enter the net value of noncharitable-use assets for 2007 from Part X line 5	4	212,910,452.
5 Multiply line 4 by line 3	5	922,967.
6 Enter 1% of net investment income (1% of Part I line 27b)	6	128,203.
7 Add lines 5 and 6	7	1,051,170.
8 Enter qualifying distributions from Part XII line 4	8	18,236,893.

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.

COPY

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

1a	Exempt operating foundations described in section 4940(d)(2) check here <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	128,203.
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	128,203.
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	128,203.
6	Credits/Payments:		
a	2007 estimated tax payments and 2006 overpayment credited to 2007	6a	113,000.
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	113,000.
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	928.
9	Tax due. If the total of lines 5 and 8 is more than line 7 enter amount owed	9	16,131.
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 2008 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
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c 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 <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		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
4b 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 instructions)		
VA		
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 2007 or the taxable year beginning in 2007 (see instructions for Part XIV)? 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

Form 990-PF (2007)

COPY

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		N/A
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? Website address ► <u>www.danvilleregionalfoundation.org</u>	13	X	
14	The books are in care of ► <u>The Foundation</u> Telephone no ► <u>434-799-2176</u> Located at ► <u>103 South Main Street, Danville, VA</u> ZIP+4 ► <u>24541</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15		N/A

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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(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	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here		X
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 2007?		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 2007 did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2007? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)		N/A
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2007 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 2007.)		X
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2007?		X

Form 990-PF (2007)

COPY

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

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

(1) Carry on propaganda or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955); or to carry on directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study or other similar purposes? ☐ Yes ☒ No(4) Provide a grant to an organization other than a charitable, etc. organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes or for the prevention of cruelty to children or animals? ☐ Yes ☒ Nob If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☒ N/A

5b

Organizations relying on a current notice regarding disaster assistance check here ☐c If the answer is "Yes" to question 5a(4) does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☒ N/A ☐ Yes ☐ No

6b

X

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?

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

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 13		74,769.	23,798.	0.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
None				

Total number of other employees paid over \$50,000

0

Form 990-PF (2007)

COPY

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
Chase Investment Counsel 300 Preston Avenue, Charlottesville, VA 22902	Investment management	221,142.
AmSouth Timber Co., LLC 1901 6th Avenue North, Birmingham, AL 35203	Investment management	185,020.
Wedge Capital Management LLP 301 College Street, Charlotte, NC 28202	Investment management	197,964.
LSV Asset Management 4842 Paysphere Circle, Chicago, IL 60674	Investment management	173,408.
Danville Regional Health System 103 South Main Street, Danville, VA 24541	Management services	171,748.
Total number of others receiving over \$50,000 for professional services		5

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	0.

Form 990-PF (2007)

COPY

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable etc. purposes:		
a	Average monthly fair market value of securities	1a	212,267,760.
b	Average of monthly cash balances	1b	3,745,736.
c	Fair market value of all other assets	1c	139,247.
d	Total (add lines 1a, b, and c)	1d	216,152,743.
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	216,152,743.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	3,242,291.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	212,910,452.
6	Minimum investment return. Enter 5% of line 5	6	10,645,523.

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

1	Minimum investment return from Part X, line 6	1	10,645,523.
2a	Tax on investment income for 2007 from Part VI, line 5	2a	128,203.
b	Income tax for 2007 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	128,203.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	10,517,320.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	10,517,320.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	10,517,320.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	18,197,420.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	39,473.
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	18,236,893.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	128,203.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	18,108,690.

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.

Form 990-PF (2007)

COPY

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2006	(c) 2006	(d) 2007
1 Distributable amount for 2007 from Part XI, line 7				10,517,320.
2 Undistributed income, if any, as of the end of 2006:				
a Enter amount for 2006 only			4,923,148.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2007:				
a From 2002				
b From 2003				
c From 2004				
d From 2005				
e From 2006				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2007 from Part XII, line 4: ▶ \$ 18,236,893.				
a Applied to 2006, but not more than line 2a			4,923,148.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2007 distributable amount				10,517,320.
e Remaining amount distributed out of corpus	2,796,425.			
5 Excess distributions carryover applied to 2007 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	2,796,425.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2006. Subtract line 4a from line 2a. Taxable amount - see instructions			0.	
f Undistributed income for 2007. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2008				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2002 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2008. Subtract lines 7 and 8 from line 6a	2,796,425.			
10 Analysis of line 9:				
a Excess from 2003				
b Excess from 2004				
c Excess from 2005				
d Excess from 2006				
e Excess from 2007	2,796,425.			

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				
Caswell County, NC, P.O. Box 98, Yanceyville, NC 27379	None	Government	Senior center	2,000,000.
Chatham Cares, Inc., 12 Court Street, Chatham, VA 24531	None	Public charity	Community Center	3,000,000.
Community Foundation of the Dan River Region, 530 Main St., Danville, VA 24543	None	Public charity	Capacity building	1,000,000.
Danville-Pittsylvania Regional Industrial Authority, 427 Patton St., Danville, V	None	Government	Research building addition	1,745,000.
Danville Community College, 1008 South Main Street, Danville, VA 24541	None	Government	Health Sciences Building	9,700,000.
Citizens Commission of the City of Danville, Danville, VA 24541	None	Government	Address quality of healthcare in the region	25,000.
Total			3a	17470000.
b Approved for future payment				
None				
Total			3b	0.

COPY

2007.05040 Danville Regional Foundatio DRF 1

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	Software	0111007SL	3.00	16	22,565.				22,565.			7,522.
2	Additional software licenses	072407SL	2.50	16	2,414.				2,414.			402.
3	Computer - laptop	073107SL	3.00	16	1,570.				1,570.			218.
4	Automobile	101207SL	5.00	16	30,476.				30,476.			1,577.
5	Server and computer equipment	121207SL	3.00	16	5,014.				5,014.			139.
	* Total 990-PF Pg 1 Depri				62,039.			0.	62,039.	0.	0.	9,858.

728102
04-27-07

YOPY

(D) - Asset disposed

14

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

Form 990-PF	Other Income		Statement	1
Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	
Income from investment partnership interests	<111,425.>	<111,425.>		
Total to Form 990-PF, Part I, line 11	<111,425.>	<111,425.>		

Form 990-PF	Legal Fees		Statement	2
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Legal fees	36,256.	0.		36,256.
To Fm 990-PF, Pg 1, ln 16a	36,256.	0.		36,256.

Form 990-PF	Accounting Fees		Statement	3
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting fees	28,515.	0.		28,515.
To Form 990-PF, Pg 1, ln 16b	28,515.	0.		28,515.

Form 990-PF	Other Professional Fees		Statement	4
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment fees	1,091,016.	1,091,016.		0.
Other professional fees	256,442.	0.		256,442.
Management fees	171,748.	0.		171,748.
Payroll processing fees	1,528.	0.		1,528.
To Form 990-PF, Pg 1, ln 16c	1,520,734.	1,091,016.		429,718.

COPY

Form 990-PF	Taxes			Statement	5
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Federal excise taxes	164,967.	0.		0.	
Payroll taxes	6,543.	0.		6,543.	
To Form 990-PF, Pg 1, ln 18	171,510.	0.		6,543.	

Form 990-PF	Other Expenses			Statement	6
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Supplies	3,145.	0.		3,145.	
Promotional fees	14,106.	0.		14,106.	
Insurance	61,757.	0.		61,757.	
Bank charges	1,686.	1,686.		0.	
Telephone	687.	0.		687.	
Postage	189.	0.		189.	
Dues and subscriptions	1,330.	0.		1,330.	
Miscellaneous	3,297.	0.		3,297.	
To Form 990-PF, Pg 1, ln 23	86,197.	1,686.		84,511.	

Form 990-PF	Other Decreases in Net Assets or Fund Balances	Statement	7
Description		Amount	
Provision for deferred federal excise taxes		126,026.	
Total to Form 990-PF, Part III, line 5		126,026.	

COPY

Danville Regional Foundation
 EIN: 20-3319727
 2007 Federal Form 990-PF

Statement 8

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
<u>EQUITIES</u>					
COMMON STOCKS					
MATERIALS					
1,230.000	CF INDS HLDGS INC COM 125269100	17,295.30 14.061	135,373.80 110.060	118,078.50	0.00
6,850.000	DELTIC TIMBER CORP COM 247850100	375,101.57 54.759	352,706.50 51.490	22,395.07-	0.00
	TOTAL MATERIALS	392,396.87	488,080.30	95,683.43	0.00
INDUSTRIALS					
6,350.000	AMERICAN RAILCAR INDS INC 02916P103	105,247.44 16.574	122,237.50 19.250	16,990.06	0.00

COPY

<u>PAR VALUE/SHARES</u>	<u>DESCRIPTION</u>	<u>COST VALUE / UNIT COST</u>	<u>MARKET VALUE / UNIT PRICE</u>	<u>UNREALIZED GAIN/LOSS</u>	<u>ACCRUED INCOME</u>
14,115.000	HEALTHCARE SVCS GROUP INC 421906108	188,749.54 13.372	298,955.70 21.180	110,206.16	0.00
	TOTAL INDUSTRIALS	293,996.98	421,193.20	127,196.22	0.00
	CONSUMER DISCRETIONARY				
6,430.000	ANDERSONS INC COM 034164103	267,287.87 41.569	288,064.00 44.800	20,776.13	498.33
9,730.000	BOB EVANS FARMS INC 096761101	283,850.98 29.173	262,028.90 26.930	21,822.08-	0.00
4,420.000	FISHER COMMUNICATIONS INC 337756209	207,939.98 47.045	167,783.20 37.960	40,156.78-	0.00
6,430.000	GAYLORD ENTMT CO COM 367905106	347,773.88 54.086	260,222.10 40.470	87,551.78-	0.00
10,750.000	MARCUS CORP 566330106	226,352.05 21.056	166,087.50 15.450	60,264.55-	0.00
11,730.000	MORGANS HOTEL GROUP CO 61748W108	263,172.21 22.436	226,154.40 19.280	37,017.81-	0.00
19,530.000	PEP BOYS MANNY MOE & JACK 713278109	256,342.63 13.126	224,204.40 11.480	32,138.23-	0.00
24,770.000	TRIARC COS INC CL B SER 1 895927309	385,329.55 15.556	216,985.20 8.760	168,344.35-	0.00

COPY

<u>PAR VALUE/SHARES</u>	<u>DESCRIPTION</u>	<u>COST VALUE / UNIT COST</u>	<u>MARKET VALUE / UNIT PRICE</u>	<u>UNREALIZED GAIN/LOSS</u>	<u>ACCRUED INCOME</u>
4,760.000	VAIL RESORTS INC COM 91879Q109	268,383.10 56.383	256,135.60 53.810	12,247.50-	0.00
	TOTAL CONSUMER DISCRETIONARY	2,506,432.25	2,067,665.30	438,766.95-	498.33
	CONSUMER STAPLES				
8,490.000	LONGS DRUG STORES CORP 543162101	392,677.75 46.252	399,030.00 47.000	6,352.25	1,188.60
17,500.000	WINN-DIXIE STORES INC 974280307	279,479.19 15.970	295,225.00 16.870	15,745.81	0.00
	TOTAL CONSUMER STAPLES	672,156.94	694,255.00	22,098.06	1,188.60
	ENERGY				
4,340.000	CARRIZO OIL & GAS INC COMMON STOCK 144577103	137,053.29 31.579	237,615.00 54.750	100,561.71	0.00
8,150.000	CNX GAS CORP COM 12618H309	240,137.99 29.465	260,392.50 31.950	20,254.51	0.00
10,670.000	CONSTOCK RES INC COM 205768203	326,931.71 30.640	362,780.00 34.000	35,848.29	0.00
4,410.000	OVERSEAS SHIPHOLDING GROUP INC 690368105	336,191.67 76.234	328,236.30 74.430	7,955.37-	0.00
6,580.000	PLAINS EXPL & PRODTN CO COM 726505100	282,832.09 42.984	355,320.00 54.000	72,487.91	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
5,910.000	QUICKSILVER RESOURCES INC 74837R104	219,260.30 37.100	352,176.90 59.590	132,916.60	0.00
TOTAL ENERGY FINANCIALS					
		1,542,407.05	1,896,520.70	354,113.65	0.00
4,670.000	AVATAR HLDGS INC COM 053494100	265,401.39 56.831	195,299.40 41.820	70,101.99-	0.00
7,050.000	CAPITOL FEDERAL FINANCIAL 14057C106	244,166.88 34.634	218,550.00 31.000	25,616.88-	0.00
21,470.000	INVESTORS BANCORP INC COM 46146P102	289,472.61 13.483	303,585.80 14.140	14,113.19	0.00
11,090.000	LEUCADIA NATL CORP COM 527288104	322,415.28 29.073	522,339.00 47.100	199,923.72	0.00
1,550.000	MIDLAND CO 597486109	62,852.78 40.550	100,269.50 64.690	37,416.72	661.00
12,840.000	OLD REP INTL CORP 680223104	194,316.34 15.134	197,864.40 15.410	3,548.06	0.00
12,490.000	ONEBEACON INSURANCE GROUP LTD G67742109	341,770.68 27.364	268,535.00 21.500	73,235.68-	0.00
6,400.000	PIPER JAFFRAY COS COM 724078100	336,402.21 52.563	296,448.00 46.320	39,954.21-	0.00

COPY

<u>PAR VALUE/SHARES</u>	<u>DESCRIPTION</u>	<u>COST VALUE / UNIT COST</u>	<u>MARKET VALUE / UNIT PRICE</u>	<u>UNREALIZED GAIN/LOSS</u>	<u>ACCRUED INCOME</u>
5,920.000	STEWART INFORMATION SVCS CORP COM 860372101	229,007.93 38.684	154,452.80 26.090	74,555.13-	0.00
8,720.000	UMB FINL CORP COM 902788108	291,888.92 33.473	334,499.20 38.360	42,610.28	1,308.00
	TOTAL FINANCIALS	2,577,695.02	2,591,843.10	14,148.08	1,969.00
	UTILITIES				
78,900.000	AQUILA INC DEL NEW COM 03840P102	332,687.61 4.217	294,297.00 3.730	38,390.61-	0.00
23,300.000	CENTERPOINT ENERGY INC COM 15189T107	294,153.61 12.625	399,129.00 17.130	104,975.39	0.00
	TOTAL UTILITIES	626,841.22	693,426.00	66,584.78	0.00
	HEALTH CARE				
16,270.000	ALBANY MOLECULAR RESH INC COM 012423109	206,705.29 12.705	233,962.60 14.380	27,257.31	0.00
3,290.000	ANALOGIC CORP COM PAR \$0.05 032657207	181,802.74 55.259	222,798.80 67.720	40,996.06	329.00
	TOTAL HEALTH CARE	388,508.03	456,761.40	68,253.37	329.00
	TELECOMMUNICATION SERVICES				

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
17,220.000	FAIRPOINT COMMUNICATIONS INC COM 305560104	298,868.63 17.356	224,204.40 13.020	74,664.23-	6,850.29
	TOTAL TELECOMMUNICATION SERVICES	298,868.63	224,204.40	74,664.23-	6,850.29

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
<u>EQUITIES</u>					
COMMON STOCKS					
MATERIALS					
6,475.000	OM GROUP INC COM 670872100	300,687.23 46.438	372,571.50 57.540	71,884.27	0.00
5,500.000	STEEL DYNAMICS INC COM 858119100	189,474.42 34.450	327,635.00 59.570	138,160.58	825.00
	TOTAL MATERIALS	490,161.65	700,206.50	210,044.85	825.00
INDUSTRIALS					
8,375.000	AMETEK INC COM 031100100	253,985.07 30.327	392,285.00 46.840	138,299.93	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
7,475.000	BARNES GROUP INC COM 067806109	227,514.53 30.437	249,590.25 33.390	22,075.72	0.00
4,125.000	CERADYNE INC 156710105	243,790.70 59.101	193,586.25 46.930	50,204.45-	0.00
3,800.000	GARDNER DENVER INC COMMON STOCK 365558105	151,323.58 39.822	125,400.00 33.000	25,923.58-	0.00
2,975.000	MSC INDL DIRECT INC CL A 553530106	128,609.25 43.230	120,398.25 40.470	8,211.00-	0.00
4,650.000	OSHKOSH TRUCK CORP CL B 688239201	220,159.97 47.346	219,759.00 47.260	400.97-	0.00
4,160.000	TRINITY INDS INC 896522109	177,155.09 42.585	115,481.60 27.760	61,673.49-	0.00
TOTAL INDUSTRIALS		1,402,538.19	1,416,500.35	13,962.16	0.00
CONSUMER DISCRETIONARY					
5,150.000	AEROPOSTALE COM 007865108	139,546.98 27.097	136,475.00 26.500	3,071.98-	0.00
3,295.000	DOLLAR TREE STORES INC COM 256747106	107,379.84 32.589	85,406.40 25.920	21,973.44-	0.00
7,800.000	FOSSIL INC COM 349882100	149,589.96 19.178	327,444.00 41.980	177,854.04	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
5,225.000	GYMBOREE CORP COM 403777105	207,566.68 39.726	159,153.50 30.460	48,413.18-	0.00
8,300.000	JOS A BANK CLOTHIERS INC 480838101	280,026.42 33.738	236,135.00 28.450	43,891.42-	0.00
3,785.000	SHERWIN WILLIAMS CO 824348106	208,516.97 55.090	219,681.40 58.040	11,164.43	0.00
9,275.000	SKECHERS U S A INC CL A 830566105	196,555.85 21.192	180,955.25 19.510	15,600.60-	0.00
2,475.000	THOR INDS INC 885160101	114,950.14 46.445	94,074.75 38.010	20,875.39-	217.00
4,200.000	TORO CO 891092108	223,931.25 53.317	228,648.00 54.440	4,716.75	630.00
TOTAL CONSUMER DISCRETIONARY ENERGY		1,628,064.09	1,667,973.30	39,909.21	847.00
5,075.000	HORNBECK OFFSHORE SVCS INC NEW COM 440543106	188,356.92 37.115	228,121.25 44.950	39,764.33	0.00
2,850.000	OIL STATES INTERNATIONAL INC 678026105	99,511.74 34.916	97,242.00 34.120	2,269.74-	0.00
TOTAL ENERGY FINANCIALS		287,868.66	325,363.25	37,494.59	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
8,675.000	AMERICAN FINL GROUP INC OHIO COM 025932104	285,762.57 32.941	250,534.00 28.880	35,228.57-	0.00
9,075.000	BERKLEY W R CORP 084423102	308,781.58 34.026	270,525.75 29.810	38,255.83-	453.75
8,250.000	HCC INS HLDGS INC COM 404132102	242,934.45 29.447	236,610.00 28.680	6,324.45-	907.50
6,750.000	PHILADELPHIA CONS HLDG CORP COM 717528103	220,749.25 32.704	265,612.50 39.350	44,863.25	0.00
4,450.000	PROASSURANCE CORPORATION 74267C106	229,489.16 51.571	244,394.00 54.920	14,904.84	0.00
5,025.000	REINSURANCE GROUP AMER INC COM 759351109	246,380.27 49.031	263,712.00 52.480	17,331.73	0.00
2,825.000	WORLD ACCEP CORP DEL 981419104	111,665.83 39.528	76,218.50 26.980	35,447.33-	0.00
TOTAL FINANCIALS		1,645,763.11	1,607,606.75	38,156.36-	1,361.25
INFORMATION TECHNOLOGY					
6,500.000	AMPHENOL CORP CL A 032095101	183,740.70 28.268	301,405.00 46.370	117,664.30	97.50
3,470.000	ANIXTER INTL INC COM 035290105	255,596.02 73.659	216,076.90 62.270	39,519.12-	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
5,675.000	CYMER INC 232572107	233,946.58 41.224	220,927.75 38.930	13,018.83-	0.00
2,000.000	LAM RESEARCH CORP COM 512807108	94,759.00 47.379	86,460.00 43.230	8,299.00-	0.00
12,110.000	MPS GROUP INC 553409103	137,755.38 11.375	132,483.40 10.940	5,271.98-	0.00
5,800.000	NETGEAR INC COM 64111Q104	113,092.84 19.499	206,886.00 35.670	93,793.16	0.00
11,075.000	OMNIVISION TECHNOLOGIES 682128103	194,515.95 17.564	173,323.75 15.650	21,192.20-	0.00
9,025.000	OPEN TEXT CORP COM 683715106	179,829.89 19.926	283,836.25 31.450	104,006.36	0.00
10,100.000	SCANSOURCE INC COM 806037107	302,685.78 29.969	326,735.00 32.350	24,049.22	0.00
11,150.000	SYNNEX CORP COM 87162W100	236,179.71 21.182	218,540.00 19.600	17,639.71-	0.00
TOTAL INFORMATION TECHNOLOGY		1,932,101.85	2,166,674.05	234,572.20	97.50
HEALTH CARE					
5,600.000	AMSURG CORP 03232P405	135,481.39 24.193	151,536.00 27.060	16,054.61	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
4,650.000	HEALTH NET INC 42222G108	220,265.54 47.369	224,595.00 48.300	4,329.46	0.00
7,925.000	LINCARE HLDGS INC COM 532791100	293,994.45 37.097	278,643.00 35.160	15,351.45-	0.00
10,150.000	SCIELE PHARMA INC 808627103	239,011.84 23.548	207,567.50 20.450	31,444.34-	0.00
TOTAL HEALTH CARE TELECOMMUNICATION SERVICES		888,753.22	862,341.50	26,411.72-	0.00
11,900.000	PREMIERE GLOBAL SVCS INC COM 740585104	140,382.80 11.797	176,715.00 14.850	36,332.20	0.00
TOTAL TELECOMMUNICATION SERVICES		140,382.80	176,715.00	36,332.20	

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
EQUITIES					
COMMON STOCKS					
16,000.000	MOBILE TELESYSTEMS OJSC - ADR SPONSORED ADR 607409109	955,686.30 59.730	1,628,640.00 101.790	672,953.70	0.00
48,200.000	NOKIA CORPORATION - ADR SPONSORED ADR 654902204	1,765,206.39 36.623	1,850,398.00 38.390	85,191.61	0.00
10,800.000	POTASH CORP SASK 73755L107	856,638.15 79.318	1,554,768.00 143.960	698,129.85	0.00
10,500.000	SCHLUMBERGER LTD 806857108	917,660.11 87.396	1,032,885.00 98.370	115,224.89	3,570.00
28,100.000	TEVA PHARMACEUTICAL INDUSTRIES - ADR SPONSORED ADR 881624209	1,206,490.50 42.936	1,306,088.00 46.480	99,597.50	0.00

MATERIALS

COPY

<u>PAR VALUE/SHARES</u>	<u>DESCRIPTION</u>	<u>COST VALUE / UNIT COST</u>	<u>MARKET VALUE / UNIT PRICE</u>	<u>UNREALIZED GAIN/LOSS</u>	<u>ACCRUED INCOME</u>
12,300.000	PRAXAIR INC COM 74005P104	703,619.32 57.205	1,091,133.00 88.710	387,513.68	0.00
	TOTAL MATERIALS	703,619.32	1,091,133.00	387,513.68	0.00
	INDUSTRIALS				
8,200.000	DANAHER CORP 235851102	549,046.80 66.957	719,468.00 87.740	170,421.20	246.00
23,400.000	DEERE & CO 244199105	1,343,108.90 57.398	2,179,008.00 93.120	835,899.10	5,850.00
14,400.000	GENERAL DYNAMICS CORP 369550108	1,046,263.76 72.657	1,281,456.00 88.990	235,192.24	0.00
20,300.000	HONEYWELL INTERNATIONAL INC 438516106	1,211,285.18 59.669	1,249,871.00 61.570	38,585.82	0.00
15,200.000	LOCKHEED MARTIN CORP 539830109	1,327,132.42 87.311	1,599,952.00 105.260	272,819.58	0.00
6,900.000	PRECISION CASTPARTS CORP 740189105	750,671.59 108.793	957,030.00 138.700	206,358.41	0.00
15,700.000	ROCKWELL COLLINS 774341101	960,475.42 61.177	1,129,929.00 71.970	169,453.58	0.00
22,200.000	UNITED TECHNOLOGIES CORP 913017109	1,418,391.30 63.891	1,699,188.00 76.540	280,796.70	0.00
	TOTAL INDUSTRIALS	8,606,375.37	10,815,902.00	2,209,526.63	6,096.00
	CONSUMER DISCRETIONARY				

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
34,500.000	MCDONALDS CORP 580135101	1,430,044.51 41.451	2,032,395.00 58.910	602,350.49	0.00
	TOTAL CONSUMER DISCRETIONARY	1,430,044.51	2,032,395.00	602,350.49	0.00
	CONSUMER STAPLES				
600.000	ARCHER DANIELS MIDLAND CO 039483102	25,433.34 42.389	27,858.00 46.430	2,424.66	0.00
29,500.000	COCA COLA CO 191216100	1,459,328.15 49.469	1,810,415.00 61.370	351,086.85	0.00
8,200.000	COLGATE PALMOLIVE CO 194162103	638,938.26 77.919	639,272.00 77.960	333.74	0.00
21,800.000	CVS/CAREMARK CORPORATION 126650100	788,870.72 36.187	866,550.00 39.750	77,679.28	0.00
16,700.000	PEPSICO INC 713448108	1,267,009.54 75.869	1,267,530.00 75.900	520.46	3,225.00
14,800.000	PROCTER & GAMBLE CO 742718109	1,068,677.52 72.208	1,086,616.00 73.420	17,938.48	0.00
	TOTAL CONSUMER STAPLES	5,248,257.53	5,698,241.00	449,983.47	3,225.00
	ENERGY				
6,600.000	NATIONAL OILWELL VARCO INC COM 637071101	414,994.40 62.878	484,836.00 73.460	69,841.60	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
5,596.000	TRANSOCEAN ORDINARY SHARES G90073100	622,186.24 111.184	801,067.40 143.150	178,881.16	0.00
	TOTAL ENERGY	1,037,180.64	1,285,903.40	248,722.76	0.00
	INFORMATION TECHNOLOGY				
40,300.000	HEWLETT PACKARD CO 428236103	1,857,926.09 46.102	2,034,344.00 50.480	176,417.91	3,224.00
51,800.000	INTEL CORP COMM 458140100	1,432,299.82 27.651	1,380,988.00 26.660	51,311.82-	0.00
56,700.000	MICROSOFT CORP 594918104	1,981,988.16 34.956	2,018,520.00 35.600	36,531.84	0.00
29,200.000	ORACLE CORPORATION 68389X105	668,379.24 22.890	659,336.00 22.580	9,043.24-	0.00
	TOTAL INFORMATION TECHNOLOGY	5,940,593.31	6,093,188.00	152,594.69	3,224.00
	HEALTH CARE				
27,200.000	AETNA INC-NEW 00817Y108	1,522,748.50 55.983	1,570,256.00 57.730	47,507.50	0.00
25,300.000	BAXTER INTL INC 071813109	1,401,699.25 55.403	1,468,665.00 58.050	66,965.75	5,502.75
7,700.000	BECTON DICKINSON & CO 075887109	629,163.35 81.710	643,566.00 83.580	14,402.65	2,194.50

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
19,000.000	EXPRESS SCRIPTS INC COMMON STOCK 302182100	1,006,909.78 52.995	1,387,000.00 73.000	380,090.22	0.00
22,400.000	JOHNSON & JOHNSON 478160104	1,509,096.76 67.370	1,494,080.00 66.700	15,016.76-	0.00
6,600.000	MEDCO HEALTH SOLUTIONS INC 58405U102	658,908.36 99.835	669,240.00 101.400	10,331.64	0.00
12,100.000	STRYKER CORP 863667101	732,681.30 60.552	904,112.00 74.720	171,430.70	3,993.00
	TOTAL HEALTH CARE	7,461,207.30	8,136,919.00	675,711.70	11,690.25

COPY

PAR VALUE / SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
<u>EQUITIES</u>					
COMMON STOCKS					
8,700.000	ACCENTURE LTD G1150G111	260,696.04 29.965	313,461.00 36.030	52,764.96	0.00
7,200.000	ACE LIMITED ORD G0070K103	372,647.28 51.757	444,816.00 61.780	72,168.72	1,944.00
19,700.000	ALLIANZ SE 018805101	457,347.25 23.216	418,625.00 21.250	38,722.25-	0.00
9,300.000	ASTRAZENECA PLC SPONSORED ADR 046353108	432,906.63 46.549	398,226.00 42.820	34,680.63-	0.00
5,803.000	CEMEX S.A.B DE C.C. ADR 151290889	177,326.07 30.558	150,007.55 25.850	27,318.52-	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
7,600.000	CREDIT SUISSE GROUP - ADR SPONSORED ADR 225401108	558,109.37 73.435	456,760.00 60.100	101,349.37-	0.00
7,100.000	ENI SPA - ADR SPONSORED ADR 26874R108	425,687.28 59.956	514,253.00 72.430	88,565.72	0.00
11,700.000	ING GROEP N.V. - ADR SPONSORED ADR 456837103	468,236.39 40.020	455,247.00 38.910	12,989.39-	0.00
8,300.000	NOKIA CORPORATION - ADR SPONSORED ADR 654902204	183,064.80 22.056	318,637.00 38.390	135,572.20	0.00
5,500.000	ROYAL DUTCH SHELL PLC SPONSORED ADR REPSTG A SHS 780259206	372,075.02 67.650	463,100.00 84.200	91,024.98	0.00
9,600.000	SANOFI-AVENTIS - ADR SPONSORED ADR 80105N105	419,234.22 43.670	437,088.00 45.530	17,853.78	0.00
6,200.000	SAP AG - ADR SPONSORED ADR 803054204	340,541.44 54.926	316,510.00 51.050	24,031.44-	0.00
11,400.000	SEAGATE TECHNOLOGY G7945J104	303,220.68 26.598	290,700.00 25.500	12,520.68-	0.00
15,600.000	STATORILHYDRO ASA ADR 85771P102	443,972.97 28.460	476,112.00 30.520	32,139.03	0.00
5,500.000	TOTAL S.A. - ADR SPONSORED ADR 89151E109	363,728.28 66.132	454,300.00 82.600	90,571.72	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
9,600.000	UBS AG -NEW H89231338	574,754.55 59.870	441,600.00 46.000	133,154.55-	0.00
MATERIALS					
1,700.000	AIR PRODS & CHEMS INC COM 009158106	113,581.21 66.812	167,671.00 98.630	54,089.79	646.00
3,600.000	ASHLAND INC NEW COM 044209104	221,191.87 61.442	170,748.00 47.430	50,443.87-	0.00
3,400.000	BALL CORP 058498106	178,187.24 52.408	153,000.00 45.000	25,187.24-	0.00
2,400.000	EASTMAN CHEM CO COM 277432100	162,080.73 67.534	146,616.00 61.090	15,464.73-	1,056.00
1,800.000	FREEPORT-MCMORAN COPPER & GOLD INC COMMON STOCK 35671D857	138,795.27 77.108	184,392.00 102.440	45,596.73	0.00
2,800.000	NUCOR CORP 670346105	182,120.39 65.043	165,816.00 59.220	16,304.39-	1,708.00
6,100.000	PACTIV CORP 695257105	166,944.48 27.368	162,443.00 26.630	4,501.48-	0.00
2,300.000	PPG INDUSTRIES INC 693506107	155,417.01 67.573	161,529.00 70.230	6,111.99	0.00
1,900.000	PRAXAIR INC COM 74005P104	110,214.91 58.003	168,549.00 88.710	58,334.09	0.00

COPY

<u>PAR VALUE/SHARES</u>	<u>DESCRIPTION</u>	<u>COST VALUE / UNIT COST</u>	<u>MARKET VALUE / UNIT PRICE</u>	<u>UNREALIZED GAIN/LOSS</u>	<u>ACCRUED INCOME</u>
3,300.000	ROHM & HAAS CO 775371107	168,490.61 51.058	175,131.00 53.070	6,640.39	0.00
3,400.000	STEEL DYNAMICS INC COM 858119100	115,639.71 34.012	202,538.00 59.570	86,898.29	510.00
1,800.000	UNITED STS STL CORP NEW COM 912909108	147,308.88 81.838	217,638.00 120.910	70,329.12	0.00
TOTAL MATERIALS		1,859,972.31	2,076,071.00	216,098.69	3,920.00
INDUSTRIALS					
7,300.000	CRANE CO 224399105	291,871.95 39.982	313,170.00 42.900	21,298.05	0.00
3,200.000	CUMMINS INC. 231021106	222,069.89 69.397	407,584.00 127.370	185,514.11	0.00
3,700.000	EATON CORP 278058102	287,217.09 77.626	358,715.00 96.950	71,497.91	0.00
9,700.000	EQUIFAX INC 294429105	404,636.55 41.715	352,692.00 36.360	51,944.55-	0.00
3,600.000	GENERAL DYNAMICS CORP 369550108	245,371.56 68.159	320,364.00 88.990	74,992.44	0.00
6,200.000	HARSCO CORP 415864107	248,979.59 40.158	397,234.00 64.070	148,254.41	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
2,800.000	LOCKHEED MARTIN CORP 539830109	210,564.44 75.202	294,728.00 105.260	84,163.56	0.00
3,900.000	NORTHROP GRUMMAN CORP 666807102	258,732.28 66.342	306,696.00 78.640	47,963.72	0.00
4,400.000	PARKER HANNIFIN CORP 701094104	230,406.71 52.365	331,364.00 75.310	100,957.29	0.00
3,400.000	RELANCE STL & ALUM CO COM 759509102	148,601.87 43.706	184,280.00 54.200	35,678.13	224.00
4,000.000	ROCKWELL COLLINS 774341101	238,126.96 59.532	287,880.00 71.970	49,753.04	0.00
4,400.000	3M CO COM 88579Y101	350,125.88 79.574	371,008.00 84.320	20,882.12	0.00
TOTAL INDUSTRIALS		3,136,704.77	3,925,715.00	789,010.23	224.00
5,800.000	CONSUMER DISCRETIONARY AUTOLIV INC COM 052800109	330,671.83 57.012	305,718.00 52.710	24,953.83-	0.00
3,200.000	AUTOZONE INC 053332102	391,245.51 122.264	383,712.00 119.910	7,533.51-	0.00
7,600.000	BORG WARNER INC. COM 099724106	254,256.65 33.455	367,916.00 48.410	113,659.35	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
6,700.000	GAMESTOP CORP NEW CL A 36467W109	165,263.50 24.666	416,137.00 62.110	250,873.50	0.00
19,700.000	GAP INC 364760108	396,615.76 20.133	419,216.00 21.280	22,600.24	0.00
8,700.000	GUESS INC 401617105	334,650.76 38.466	329,643.00 37.890	5,007.76-	696.00
15,000.000	HASBRO INC 418056107	417,984.11 27.866	383,700.00 25.580	34,284.11-	0.00
9,300.000	JOHNSON CONTROLS INC 478366107	262,779.68 28.256	335,172.00 36.040	72,392.32	1,209.00
6,900.000	MCDONALDS CORP 580135101	274,766.24 39.821	406,479.00 58.910	131,712.76	0.00
6,300.000	NIKE INC CL B 654106103	294,620.90 46.765	404,712.00 64.240	110,091.10	1,449.00
3,700.000	PRICELINE COM INC COM NEW 741503403	278,396.48 75.242	424,982.00 114.860	146,585.52	0.00
6,000.000	SHERWIN WILLIAMS CO 824348106	407,199.47 67.867	348,240.00 58.040	58,959.47-	0.00
8,300.000	TIFFANY & CO NEW 886547108	415,729.85 50.088	382,049.00 46.030	33,680.85-	1,245.00
TOTAL CONSUMER DISCRETIONARY CONSUMER STAPLES		4,224,180.74	4,907,676.00	683,495.26	4,599.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
6,200.000	ALTRIA GROUP INC COM 02209S103	447,008.22 72.098	468,596.00 75.580	21,587.78	4,650.00
9,200.000	ANHEUSER BUSCH COS INC 035229103	428,755.25 46.604	481,528.00 52.340	52,772.75	0.00
7,900.000	GENERAL MILLS INC 370334104	445,030.86 56.333	450,300.00 57.000	5,269.14	0.00
6,800.000	KIMBERLY CLARK CORP COM 494368103	427,260.28 62.832	471,512.00 69.340	44,251.72	3,604.00
6,500.000	REYNOLDS AMERICAN INC 761713106	388,482.62 59.767	428,740.00 65.960	40,257.38	5,525.00
TOTAL CONSUMER STAPLES		2,136,537.23	2,300,676.00	164,138.77	13,779.00
ENERGY					
5,100.000	CHEVRON CORP 166764100	323,703.71 63.471	475,983.00 93.330	152,279.29	0.00
6,100.000	CONOCOPHILLIPS 20825C104	404,291.24 66.277	538,630.00 88.300	134,338.76	0.00
5,200.000	HESS CORP COM 42809H107	276,701.80 53.212	524,472.00 100.860	247,770.20	720.00
9,100.000	MARATHON OIL CORP 565849106	400,913.86 44.056	553,826.00 60.860	152,912.14	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
6,500.000	OCCIDENTAL PETE CORP 674599105	333,119.08 51.249	500,435.00 76.990	167,315.92	1,625.00
5,200.000	OVERSEAS SHIPHOLDING GROUP INC 690368105	344,359.60 66.223	387,036.00 74.430	42,676.40	0.00
7,000.000	SUNOCO INC COM 86764P109	475,938.94 67.991	507,080.00 72.440	31,141.06	0.00
8,400.000	TESORO CORP 881609101	332,573.38 39.592	400,680.00 47.700	68,106.62	0.00
7,200.000	VALERO ENERGY CORP 91913Y100	447,998.40 62.222	504,216.00 70.030	56,217.60	0.00
TOTAL ENERGY FINANCIALS		3,339,600.01	4,392,358.00	1,052,757.99	2,345.00
8,500.000	ALLSTATE CORP 020002101	469,483.40 55.233	443,955.00 52.230	25,528.40-	3,230.00
7,900.000	AMERICAN INTL GROUP INC 026874107	525,493.01 66.518	460,570.00 58.300	64,923.01-	0.00
17,600.000	CIT GROUP INC NEW COM 125581108	714,189.82 40.579	422,928.00 24.030	291,261.82-	0.00
13,000.000	CITIGROUP INC 172967101	592,843.86 45.603	382,720.00 29.440	210,123.86-	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
2,300.000	GOLDMAN SACHS GROUP INC 38141G104	374,884.67 162.993	494,615.00 215.050	119,730.33	0.00
4,500.000	HARTFORD FINANCIAL SERVICES GROUP INC COM 416515104	380,808.72 84.624	392,355.00 87.190	11,546.28	2,385.00
9,600.000	JPMORGAN CHASE & CO 46625H100	503,764.36 52.475	419,040.00 43.650	84,724.36-	0.00
7,100.000	LEHMAN BROTHERS HOLDINGS INC 524908100	456,553.02 64.303	464,624.00 65.440	8,070.98	0.00
0.000	MBIA INC 55262C100	0.00 0.000	0.00 18.630	0.00	4,760.00
8,200.000	MERRILL LYNCH & CO INC 590188108	615,621.89 75.076	440,176.00 53.680	175,445.89-	0.00
6,500.000	METLIFE INC 59156R108	341,073.70 52.473	400,530.00 61.620	59,456.30	0.00
8,300.000	MORGAN STANLEY COM 617446448	491,515.58 59.219	440,813.00 53.110	50,702.58-	0.00
7,200.000	TORCHMARK CORP 891027104	441,595.51 61.333	435,816.00 60.530	5,779.51-	0.00
TOTAL FINANCIALS INFORMATION TECHNOLOGY		5,907,827.54	5,198,142.00	709,685.54-	10,375.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
7,800.000	ADOBE SYS INC 00724F101	338,936.74 43.453	333,294.00 42.730	5,642.74-	0.00
7,500.000	AMPHENOL CORP CL A 032095101	225,702.76 30.094	347,775.00 46.370	122,072.24	112.50
6,700.000	AUTODESK INC 052769106	259,184.80 38.684	333,392.00 49.760	74,207.20	0.00
6,000.000	COMPUTER SCIENCES CORP 205363104	314,496.37 52.416	296,820.00 49.470	17,676.37-	0.00
3,500.000	DST SYS INC COM 233326107	217,664.07 62.190	288,925.00 82.550	71,260.93	0.00
5,600.000	FISERV INC 337738108	302,304.24 53.983	310,744.00 55.490	8,439.76	0.00
6,500.000	HEWLETT PACKARD CO 428236103	237,843.89 36.591	328,120.00 50.480	90,276.11	520.00
3,000.000	INTERNATIONAL BUSINESS MACHS CORP COM 459200101	286,244.03 95.415	324,300.00 108.100	38,055.97	0.00
6,700.000	LAM RESEARCH CORP COM 512807108	321,610.73 48.002	289,641.00 43.230	31,969.73-	0.00
9,300.000	MICROSOFT CORP 594918104	316,764.51 34.061	331,080.00 35.600	14,315.49	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
13,800.000	NATIONAL SEMICONDUCTOR CORP 637640103	381,644.50 27.655	312,432.00 22.640	69,212.50-	828.00
9,800.000	NVIDIA CORP COM 67066G104	263,098.20 26.847	333,396.00 34.020	70,297.80	0.00
15,600.000	ORACLE CORPORATION 68389X105	260,456.85 16.696	352,248.00 22.580	91,791.15	0.00
11,600.000	WESTERN DIGITAL CORP 958102105	274,201.96 23.638	350,436.00 30.210	76,234.04	0.00
20,500.000	XEROX CORP 984121103	307,253.33 14.988	331,895.00 16.190	24,641.67	871.25
TOTAL INFORMATION TECHNOLOGY		4,307,406.98	4,864,498.00	557,091.02	2,331.75
UTILITIES					
4,400.000	AMERICAN ELECTRIC POWER INC 025537101	171,624.97 39.006	204,864.00 46.560	33,239.03	0.00
12,300.000	CMS ENERGY CORP 125896100	197,749.56 16.077	213,774.00 17.380	16,024.44	0.00
4,400.000	DOMINION RES INC VA 25746U109	197,289.36 44.838	208,780.00 47.450	11,490.64	0.00
4,200.000	DTE ENERGY CO COM 233331107	213,164.34 50.753	184,632.00 43.960	28,532.34-	2,226.00

COPY

<u>PAR VALUE/SHARES</u>	<u>DESCRIPTION</u>	<u>COST VALUE / UNIT COST</u>	<u>MARKET VALUE / UNIT PRICE</u>	<u>UNREALIZED GAIN/LOSS</u>	<u>ACCRUED INCOME</u>
3,700.000	EDISON INTL COM 281020107	200,370.34 54.154	197,469.00 53.370	2,901.34-	1,128.50
1,700.000	ENTERGY CORP NEW COM 293646103	195,649.09 115.088	203,184.00 119.520	7,534.91	0.00
3,000.000	FIRSTENERGY CORP COM 337932107	171,968.58 57.323	217,020.00 72.340	45,051.42	0.00
11,300.000	NISOURCE INC 65473P105	265,869.97 23.528	213,457.00 18.890	52,412.97-	0.00
4,200.000	ONEOK INC COM 682680103	201,878.62 48.066	188,034.00 44.770	13,844.62-	0.00
4,900.000	SCANA CORP-W/I 80589M102	204,220.07 41.678	206,535.00 42.150	2,314.93	2,156.00
TOTAL UTILITIES		2,019,784.90	2,037,749.00	17,964.10	5,510.50
HEALTH CARE					
8,600.000	AETNA INC-NEW 00817Y108	327,702.19 38.105	496,478.00 57.730	168,775.81	0.00
10,600.000	AMERISOURCEBERGEN CORP COM 03073E105	453,471.66 42.780	475,622.00 44.870	22,150.34	0.00
9,100.000	CIGNA CORP 125509109	323,826.34 35.586	488,943.00 53.730	165,116.66	91.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
6,600.000	HUMANA INC 444859102	400,971.00 60.753	497,046.00 75.310	96,075.00	0.00
7,100.000	JOHNSON & JOHNSON 478160104	436,352.50 61.458	473,570.00 66.700	37,217.50	0.00
6,000.000	LABORATORY CRP OF AMER HLDGS 50540R409	383,092.66 63.849	453,180.00 75.530	70,087.34	0.00
6,900.000	MCKESSON CORP 58155Q103	363,711.62 52.712	452,019.00 65.510	88,307.38	414.00
7,700.000	MERCK & CO INC 589331107	299,888.43 38.947	447,447.00 58.110	147,558.57	2,926.00
17,900.000	PFIZER INC 717081103	480,621.59 26.850	406,867.00 22.730	73,754.59-	0.00
8,300.000	UNITEDHEALTH GROUP INC 91324P102	391,166.98 47.129	483,060.00 58.200	91,893.02	0.00
9,700.000	WYETH COM 983024100	477,237.97 49.200	428,643.00 44.190	48,594.97-	0.00
TOTAL HEALTH CARE		4,338,042.94	5,102,875.00	764,832.06	3,431.00
TELECOMMUNICATION SERVICES					
4,900.000	NII HLDGS INC CL B NEW 62913F201	253,083.31 51.650	236,768.00 48.320	16,315.31-	0.00

COPY

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
28,200.000	QWEST COMMUNICATIONS INTL INC COM 749121109	256,417.51 9.093	197,682.00 7.010	58,735.51-	0.00
	TOTAL TELECOMMUNICATION SERVICES	509,500.82	434,450.00	75,050.82-	0.00
	TOTAL EQUITIES		\$117,310,493		
			=====		

COPY

Form 990-PF

Other Investments

Statement 9

Description	Valuation Method	Book Value	Fair Market Value
Commingled bond fund - alternative investment	FMV	55,678,488.	55,678,488.
Limited partnership fund - alternative investment	FMV	22,406,466.	22,406,466.
Commingled real estate investment fund - alternative investment	FMV	11,509,320.	11,509,320.
Partnership fund - alternative investment	FMV	3,695,464.	3,695,464.
Total to Form 990-PF, Part II, line 13		93,289,738.	93,289,738.

COPY

Form 990-PF Depreciation of Assets Not Held for Investment Statement 10

Description	Cost or Other Basis	Accumulated Depreciation	Book Value
Software	22,565.	7,522.	15,043.
Additional software licenses	2,414.	402.	2,012.
Computer - laptop	1,570.	218.	1,352.
Automobile	30,476.	1,577.	28,899.
Server and computer equipment	5,014.	139.	4,875.
Total To Fm 990-PF, Part II, ln 14	62,039.	9,858.	52,181.

COPY

Form 990-PF	Other Assets	Statement 11
-------------	--------------	--------------

Description	Book Value	Fair Market Value
Accrued interest receivable	101,838.	101,838.
Total to Form 990-PF, Part II, line 15	101,838.	101,838.

Form 990-PF	Other Liabilities	Statement 12
-------------	-------------------	--------------

Description	Amount
Federal deferred excise tax	369,262.
Total to Form 990-PF, Part II, line 22, Column B	369,262.

Form 990-PF	Part VIII - List of Officers, Directors Trustees and Foundation Managers	Statement 13
-------------	---	--------------

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Contrib	Expense Account
Karl Stauber 103 South Main Street Danville, VA 24541	President & CEO 40.00	74,769.	23,798.	0.
Aubrey Dodson 103 South Main Street Danville, VA 24541	Treasurer 20.00	0.	0.	0.
B.R. Ashby, M.D. 103 South Main Street Danville, VA 24541	Chair 1.00	0.	0.	0.
James A. Motley 103 South Main Street Danville, VA 24541	Vice Chair 1.00	0.	0.	0.
Margie Wilkinson 103 South Main Street Danville, VA 24541	Secretary 20.00	0.	0.	0.

Danville Regional Foundation

20-3319727

Richard G. Barkhouser 103 South Main Street Danville, VA 24541	Director 1.00	0.	0.	0.
Ben J. Davenport, Jr. 103 South Main Street Danville, VA 24541	Director 1.00	0.	0.	0.
Carolyn B. Evans 103 South Main Street Danville, VA 24541	Director 1.00	0.	0.	0.
Betty Jo Foster, Ed.D. 103 South Main Street Danville, VA 24541	Director 1.00	0.	0.	0.
Greg Hairston 103 South Main Street Danville, VA 24541	Director 1.00	0.	0.	0.
Mark C. Hermann, M.D. 103 South Main Street Danville, VA 24541	Director 1.00	0.	0.	0.
Charles H. Majors 103 South Main Street Danville, VA 24541	Director 1.00	0.	0.	0.
Everlena Ross 103 South Main Street Danville, VA 24541	Director 1.00	0.	0.	0.
Kirby Wright 103 South Main Street Danville, VA 24541	Director 1.00	0.	0.	0.


Totals included on 990-PF, Page 6, Part VIII

<u>74,769.</u>	<u>23,798.</u>	<u>0.</u>
----------------	----------------	-----------

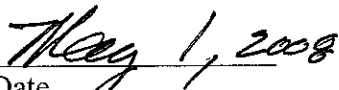
Danville Regional Foundation
EIN: 20-3319727
2007 Federal Form 990-PF

Statement 15

The attached bylaws are a complete and true copy of the amended bylaws approved by the Board of Directors of the Danville Regional Foundation March 11, 2008.



Aubrey Dodson
Treasurer
Danville Regional Foundation



Date

COPY

**DANVILLE REGIONAL FOUNDATION
BYLAWS**

TABLE OF CONTENTS

ARTICLE I	NAME	1
ARTICLE II	PURPOSE	1
ARTICLE III	MEMBERSHIP	1
ARTICLE IV	BOARD OF DIRECTORS	1
4 1	Number and Qualifications	1
4 2	Governance	2
4 3	Election of Directors and Officers	2
4 4	Termination of Directors	3
4 5	Vacancies	3
4 6	Compensation of Members	3
4 7	Meeting of Directors	3
4 8	Tax Exempt Status	6
4 9	Director Orientation, Education and Evaluation	6
4 10	Operating Policies	6
ARTICLE V	OFFICERS	6
5 1	Number and Qualifications	6
5 2	Term Limitations	7
5 3	Duties of Officers	7
ARTICLE VI	BOARD COMMITTEES	8
6 1	Standing or Ad Hoc	8
6 2	Meeting, Notice and Quorum	11
6 3	Additional Consultants	11
6 4	Resignations and Removals	11
6 5	Vacancies	11
6 6	Combination of Committee Functions	11
ARTICLE VII	CONFLICTS OF INTEREST	12
7 1	General Policy	12
7 2	Disclosure	12
7 3	Abstention/Removal	12
7 4	Gifts and Favors	12
7 5	Staff Services to Other Organizations	13

COPY

ARTICLE VIII	GENERAL PROVISIONS	13
8 1	Audits and Financial Reports.....	13
8 2	Auxiliary and Association Organizations	13
8 3	Fiscal Year	14
8 4	Corporate Seal.....	14
8 5	Waiver of Notice	14
8 6	Procedure	14
8 7	Roberts Rules of Order	14
8 8	Construction of Terms and Headings	14
8 9	Review of Bylaws	14
ARTICLE IX	LIABILITY	15
9 1	General Liability	15
ARTICLE X	AMENDMENTS TO BYLAWS	15
10 1	Procedure	15

**BYLAWS
OF
DANVILLE REGIONAL FOUNDATION**

ARTICLE I

NAME

The name of the Corporation is Danville Regional Foundation, whose central office is located at 103 South Main Street, Danville, Virginia

ARTICLE II

PURPOSE

The Corporation is a non-profit corporation organized exclusively for charitable, scientific and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The purposes of the Corporation are set forth in Article 2 of the Articles of Incorporation of the Corporation.

ARTICLE III

MEMBERSHIP

The Corporation shall have no members.

ARTICLE IV

BOARD OF DIRECTORS

4.1 Number and Qualifications

4.1.1 The Board of Directors shall consist of not less than nine (9) nor more than eleven (11) Directors, as determined by the Board of Directors. Requirements for membership shall be as follows:

4.1.2 Subject to the provisions of Section 4.1.3 below, all nominees for membership shall be at least eighteen (18) years of age. Selection of a Director shall be based on an individual's ability, with no restrictions as to race, creed, color, national origin, sex or socioeconomic status. Willingness to give as much time as is reasonably requested is required. The nominee must be willing: to accept responsibility for governance, including availability to participate actively in Board and Committee activities; to provide input in areas of interest and expertise; and to utilize experience in organizational and community activities. The art of managing people, money and property are important considerations. A member must be honest and above political influence. To the extent practicable,

COPY

the Board should include a broad representation of the communities served by the Corporation and its affiliates

- 4.1.3 Currently serving elected local, county, state and federal officials shall not be entitled to serve on the Board of Directors

4.2 Governance

Unless otherwise provided herein, the Corporation shall be governed and operated by and under the authority of the Board of Directors, and the business and affairs of the Corporation shall be managed under the Board's direction. The Corporation may be the sole member of one or more nonstock corporations or the sole shareholder of one or more stock corporations. Together, any such other corporations shall be referred to herein as affiliates of the Corporation. The Board shall have full power and authority to create, prescribe and approve Bylaws, rules and regulations for itself and any of its affiliates. Final authority for the establishment of all policy pertaining to the Corporation and its affiliates for operation, maintenance and development, and for the attainment of its objectives shall be vested in the Board of Directors

The Board of the Danville Regional Foundation ensures that the Foundation operates in the best interests of the mission of the Foundation. The Board shall adopt and members will comply with a Board policy which sets forth the primary responsibilities and legal duties of the Board and individual Board members and provides the Board with a Code of Conduct.

4.3 Election of Directors and Officers

At its annual meeting, the Board shall elect persons to fill the vacancies in its membership created by expiring terms or vacated Directors' positions. Any election or re-election of any Director shall require the affirmative vote of a majority of the then actual membership of the Board of Directors. Any election or re-election of any officer shall require the affirmative vote of a majority of Directors at a meeting in which a quorum is present. Except as may be provided in the Corporation's Articles of Incorporation, each elected Director shall hold office for a term of three (3) years and until his successor is elected and qualified. No director shall serve more than three consecutive full terms except as may be provided in the Corporation's Articles of Incorporation. Any person having completed three terms of three years can be re-elected after a one year absence from the Board. Such terms of office shall be staggered by class in accordance with the Articles of Incorporation.

- 4.3.1 At least ten (10) days prior to the annual meeting, the Nominating Committee shall provide in writing to each member of the Board a proposed list of Directors and officers and a list of nominees who have acknowledged that they are willing to serve as an officer or Director. Nominations for officers and Directors also may be made from the floor at the annual meeting. Directors and officers shall be elected in accordance with the provisions of the Articles of Incorporation.

4.3.2 Officers and Directors elected in accordance with Section 4.3.1 will begin elected terms effective the date of the annual meeting

4.4 Termination of Directors

Any Director may resign at any time by giving written notice to the Chairman or to the Secretary of the Corporation. Such resignation, which may or may not be made contingent upon formal acceptance by the Board, shall take effect on the date of receipt or at any later time specified in it. Any Director may be suspended for a period of time specified by the Board or removed permanently, with or without cause, at any time by the affirmative vote of a majority of the then actual membership of the Board at a meeting of the Board called for the purpose of suspending or removing the Director. Notice of such meeting must state that the purpose, or one of the purposes, of the meeting is the suspension or removal of the Director.

4.5 Vacancies

Vacancies in elected directorships due to death, resignation, suspension or removal, or an increase in the authorized number of Directors, may be filled by the affirmative vote of a majority of the remaining number of Directors, even if such number constitute fewer than a quorum. In the event a vacancy occurs on the Board, or in any office, the Nominating Committee shall select and recommend a candidate for replacement. This candidate is to be presented to the next regular meeting of the Board of Directors; such nomination to stand for a minimum of thirty (30) days, or until the next regular meeting, before election takes place. Any Director so elected shall hold office for the unexpired portion of the term of the vacated Director. For the purpose of determining term, if the remaining period exceeds one and one-half years, it shall be considered a full term.

4.6 Compensation of Members

Board members and members of all committees shall receive no compensation for any services rendered in their capacities as Directors or committee members. However, nothing herein contained shall be construed to preclude any Director or committee member from receiving compensation for other services actually rendered or reimbursement for out of pocket expenses incurred and appropriately documented in serving the Corporation as a Director or in any capacity.

4.7 Meeting of Directors

4.7.1 Annual Meetings of the Board:

The annual meeting of the Board shall be held on the second Tuesday of May, unless otherwise designated by the Chairman. The purpose of the annual meeting is to elect officers and Directors and to transact such other business as may properly come before the meeting. Directors shall be given written notice ten (10) days prior to the annual meeting.

4.7.2 Regular Meetings of the Board:

Regular meetings of the Board shall be held on the second Tuesday of every other month at such location as may be designated by the Chairman, provided, however, that the Chairman or the Board by a majority of voting members present may cancel or postpone a scheduled meeting with notice as required in Section 4.7 4(a).

4.7.3 Special Meetings of the Board:

Special meetings of the Board shall be held at such location as may be designated by the Chairman, and may be called at any time by the Chairman, or by not less than one-third of the Directors. The business to be transacted at any special meeting of the Board shall be limited to those items of business set forth in the notice of the meeting.

4.7.4 Place, Notice and Procedure of Board Meetings:

a. Notification of Change in Regular and Annual Meeting:

Directors shall be given written notice of changes in the Board of Directors' regular or annual meeting date, location or time. Such notice is to be given no less than ten (10) days prior to the meeting and shall set forth the time and place of any rescheduled meeting.

b. Special Meetings:

Directors shall be given notice of each special meeting of the Board, and such notice shall set forth the time and place of the meeting and notice of the matters of business to be transacted. Notice of each special meeting shall be mailed to each Director's residence or usual place of business at least five (5) days before the date of the meeting or delivered in person or by facsimile or e-mail at least two (2) days before the date of the meeting. Business to be transacted at any special meeting of the Board shall be limited to the matters set forth in the notice of the meeting.

c. Waiver of Notice:

Notice of any meeting of the Board may be waived by a Director before or after the date and time stated in the notice, and such waiver shall be equivalent to the giving of such notice. Such waiver shall be in writing, signed by the Director entitled to the notice, and filed with or entered upon the records of the meeting. The attendance of any Director at any meeting without protesting prior to or at the commencement of the meeting shall be deemed to be a waiver by him of proper notice of the meeting.

4.7.5 Quorum:

A majority of the Directors in office at the beginning of the meeting shall constitute a quorum for the transaction of business. In addition to those Directors who are physically present at a meeting, Directors shall for purposes of these Bylaws be deemed present at such meeting if a telephone or similar communications device by means of which all persons participating in the meeting can hear each other at the same time is used. The act of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the act of the Board. After a quorum has been established at a meeting, the subsequent withdrawal of Directors from the meeting so as to reduce the number of Directors present to fewer than the number required for a quorum shall not affect the validity of any act taken by the Board at the meeting or any continuation thereof, as long as one-third (1/3) of the number of Directors in office at the beginning of the meeting remain present. A majority of the Directors present, whether or not a quorum exists, may adjourn any meeting of the Board to another time and place. At such adjourned meeting, a quorum shall be established.

4.7.6 Attendance:

Directors are expected to attend as many Board and assigned committee meetings as possible. Annually, the Chairman shall review the attendance records of all members for the prior year. He shall counsel each member whose unexcused absences exceed fifty percent (50%). If unexcused absences continue, the Chairman may either ask for resignation or recommend removal in accordance with Section 4.4, if he deems such action appropriate.

4.7.7 Minutes, Attendance, Continuing Education and Orientation:

A written record of all Board and Board Committee proceedings, attendance and actions shall be maintained by the Secretary or his designee. Board Committee minutes, recommendations, and actions will be presented at the next meeting of the Board for review and appropriate action. A written record shall also be maintained of Board orientation, evaluation and continuing education.

The Chairman, with assistance from the President, shall assure the provision of orientation for all new Board members and any non-board members serving on standing or ad hoc committees.

4.7.8 Board and Board Committee Action Without a Meeting:

Any action that may be taken at a meeting of the Board or any committee thereof may be taken without a meeting if the action is taken by all members of the Board or committee and such action is evidenced by one or more written consents stating the action taken, signed by each member either before or after the action taken, and included in the minutes of the Board or committee.

4.8 Tax Exemption Status:

Directors shall not exercise their powers in any manner that would disqualify the Corporation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 ("Code") exempt from federal income tax under Section 501(a) of the Code or disqualify any gift as a deductible charitable contribution in computing any federal income or transfer tax of the donor or the donor's estate

4.9 Director Orientation, Education and Evaluation:

The Chairman shall plan and implement periodically programs designed to help Directors understand and fulfill their responsibilities and shall periodically direct the evaluation of Board and Director performance

- a All new Directors shall participate in an orientation program
- b A program of continuing education shall be available to all Directors
- c The performance of the full Board and of individual Directors may be evaluated by appropriate means, such as self-assessment checklists and consultants

4.10 Operating Policies:

The Board shall develop operating policies, including but not limited to policies relating to grantmaking, investment of funds and personnel matters covering executive leadership and staffing. The policies developed by the Board shall govern the actions of the Corporation with respect to the matters addressed therein

ARTICLE V

OFFICERS

5.1 Number and Qualifications

The officers of the Corporation shall be: a Chairman and a Vice Chairman, both of whom shall be Directors of the Corporation; a President & Chief Executive Officer, who shall not be a Director of the Corporation; and a Secretary, a Treasurer and such other executive officers and subordinate officers, who are not required to be Directors of the Corporation, as may be determined necessary and appropriate by the Board of Directors. Officers shall be elected annually by the Board of Directors in accordance with the provisions of Section 4.3 for a term of one (1) year, but are subject to removal with or without cause by the affirmative vote of a majority of Directors at any meeting at which a quorum is present; provided, however, that the officer whose removal is sought shall have been given thirty (30) days notice in writing of the proceeding to remove and the reasons therefor. In the event any of the above offices are vacated, including that of

Chairman, an election will be held at the next Board meeting to fill such vacancy. Officers may delegate clerical work incident to their duties to the administrative staff

5.2 Term Limitations

Neither the Chairman nor the Vice Chairman shall serve more than three successive full terms in their respective offices, but each may be eligible for re-election to such office after having not been in such office for a period of at least one year

5.3 Duties of Officers

5.3.1 Chairman:

The Chairman shall preside at all meetings of the Board. He shall appoint annually all committees, both standing and ad hoc, of the Board and their Chairmen, subject to the approval of the Board. He shall make every effort to motivate Board Committees to accept and complete their assigned responsibilities. He shall perform all such other duties as are incident to this office or are properly assigned to him by the Board of Directors, and shall make any and all recommendations to the Board that he may deem necessary. The Chairman shall be an ex officio member of all committees

5.3.2 Vice Chairman:

The Vice Chairman shall be a member of the Board of Directors and serve as its Vice Chairman. He shall perform such duties as may be assigned to him by the Board or the Chairman. In the absence of the Chairman, or in the event of his disability or inability to act, the Vice Chairman shall perform the duties of the Chairman with the full powers of, and subject to the restrictions upon, the Chairman

5.3.3 President & Chief Executive Officer

The President & Chief Executive Officer shall be the chief executive officer of the corporation. He shall oversee management and operations of the Corporation and implement the policy decisions of the Board of Directors. The President & Chief Executive Officer shall not be a member of the Board of Directors.

5.3.4 Secretary:

The Secretary shall provide for the keeping of minutes of all meetings of the Board and Board Committees. He shall give or cause to be given appropriate notices in accordance with these Bylaws or as required by law, and shall act as custodian of all corporate records and reports and of the Corporate Seal, assuring that it is affixed, when required by law, to documents executed on behalf of the Corporation. He shall perform such other duties as may be prescribed by the Board of Directors and as are incident to the office of Secretary of a corporation under the laws of the Commonwealth of Virginia

5.3.5 Treasurer:

It shall be the responsibility of the Treasurer to see that proper and accurate accounts are kept of all properties and financial transactions of the Corporation and to insure that such accounts, assets and liabilities are audited annually by an outside independent certified public accountant and reviewed by any corporate committees according to these Bylaws

The Treasurer shall assure that the officers or employees of the Corporation who handle or have access to the funds of the Corporation are bonded in amounts deemed appropriate by industry standards. The Treasurer shall assure that all officers and Directors of the Corporation are properly indemnified against liability or losses as a result of their service on the Board in an amount deemed appropriate by industry standards and approved by the Board.

The Treasurer, if a member of the Board of Directors, shall serve on the Investment Committee and, in addition, shall perform all acts incident to the Office of the Treasurer of a corporation operating under the laws of the Commonwealth of Virginia. If not a Board member, but instead an employee of the Foundation, the Treasurer shall assist the Investment Committee.

5.3.6 Assistant Secretary and/or Assistant Treasurer:

If provided for by the Board, the Assistant Secretary and the Assistant Treasurer shall, in the absence or disability of the Secretary or Treasurer, respectfully, have the duties and powers of the Secretary or Treasurer and shall have such other duties and powers as the Board may from time to time prescribe.

ARTICLE VI

BOARD COMMITTEES

6.1 Standing or Ad Hoc

The Board shall maintain a Nominating Committee, a Investment Committee, a Community Investment Committee, Audit Committee, and Bylaws/Governance Committee. The Chairman shall appoint and authorize any additional standing or ad hoc committees as he deems necessary, consistent with these Bylaws and subject to the approval of the Board. The committee members, whether they be Directors or not, shall serve at the pleasure of the Chairman with the approval of the Board of Directors. The purpose of Ad Hoc committees shall be defined by the Chairman and approved by the Board of Directors. Membership of Ad Hoc Committees shall be appointed by the Chairman and are subject to approval by the full Board. All Ad Hoc Committees shall have explicit duties and responsibilities and a specified time period. Ad Hoc committees shall expire after one year unless the Board acts to extend their mandate.

6.1.1. Nominating Committee:

a. Number and General Provisions

The Nominating Committee shall be composed of three (3) or more members who are Directors of the Corporation. Members of the Nominating Committee shall be nominated by the Chairman and approved by the affirmative vote of a majority of the then actual membership of the Board of Directors.

b. Duties and Responsibilities

The primary responsibilities of the Nominating Committee shall consist of identifying and recommending to the Board of Directors individuals qualified and willing to serve as directors and officers of the Corporation and, at the request of the Board, to review related Board development issues, including succession planning.

6.1.2. Investment Committee:

a. Number and General Provisions

The Investment Committee shall be composed of three (3) or more members who are Directors of the Corporation and all of whom shall have requisite working familiarity with basic finance and investment practices. Members of the Investment Committee shall be nominated by the Chairman and approved by the affirmative vote of a majority of the then actual membership of the Board of Directors.

b. Duties and Responsibilities

The primary responsibilities of the Investment Committee shall consist of: monitoring the investment and reinvestment of the assets of the Corporation; evaluating the performance of investment managers; utilizing investment advisors as necessary; evaluating investment policies for possible revisions; determining the employment and termination of investment managers; and reviewing other financial matters and making recommendations regarding such to the Board of Directors.

6.1.3. Community Investment Committee:

a. Number and General Provisions

The Community Investment Committee shall be composed of three (3) or more members who are Directors of the Corporation. In the discretion of the Board, the Community Investment Committee may also include

individuals who are not members of the Board. Members of the Community Investment Committee shall be nominated by the Chairman and approved by the affirmative vote of a majority of the then actual membership of the Board of Directors.

b. Duties and Responsibilities

The primary responsibilities of the Community Investment Committee shall consist of: formulating criteria and procedures for all monetary grants from the Corporation; reviewing proposed grants to assure their consistency with operating plans for the Corporation as formulated by the Board of Directors; recommending proposed grants to the Board of Directors; and reviewing other matters regarding the grants and making recommendations regarding such to the Board of Directors.

6.1.4 Audit Committee

a. Number and General Provisions

The Audit Committee shall be composed of three (3) or more members who are Directors of the Corporation. In the discretion of the Board, the Audit Committee may also include individuals who are not members of the Board and have expertise in accounting. Members of the Audit Committee shall be nominated by the Chairman and approved by the affirmative vote of a majority of the then actual membership of the Board of Directors.

b. Duties and Responsibilities

The primary responsibilities of the Audit Committee shall consist of overseeing the financial reporting process, the system of internal controls and the audit process; exercising prudent judgment in reviewing, considering, and recommending the approval of independent auditors of the Foundation's financial statements; reviewing the budget proposed by the President & CEO and developing and recommending to the Board of Directors the annual operating budget; and being the Board designated recipient of any concerns raised consistent with the Foundation's "Whistle Blower" policy.

6.1.5 Bylaws/Governance Committee

a. Number and General Provisions

The Bylaws/governance Committee shall be composed of three (3) or more members who are Directors of the Corporation. Members of the Bylaws/Governance Committee shall be nominated by the Chairman and approved by the affirmative vote of a majority of the then actual membership of the Board of Directors.

b. Duties and Responsibilities

The primary responsibilities of the Bylaws/Governance Committee shall be to review and recommend proposed changes in the Bylaws for Board consideration, to assure that the Bylaws are current and reflect Board actions, to assist the Board in assuring that the Foundation's governance policies are reflective of current good practices and legal requirements

6.2 Meeting, Notice and Quorum

Meetings of any committee may be called by the Chairman of the Board, the Chairman of the committee or a majority of the committee's voting members. Each committee shall meet as often as is necessary to perform its duties except where frequency of meetings is specified in these Bylaws. Notice may be given at any time and in any manner reasonably designed to inform the members of the time and place of the meeting. A majority of the voting members of any committee shall constitute a quorum for the transaction of business at any meeting of such committee. Each committee shall keep minutes of its proceedings and report periodically to the Board.

6.3 Additional Consultants

The Chairman may invite, on an ad hoc basis, additional individuals with special expertise in pertinent areas to meet with and assist any committee. Such consultants shall not be counted in determining the existence of a quorum nor be allowed to vote.

6.4 Resignations and Removals

Any member of a committee may resign at any time by giving written notice to the Chairman or to the Secretary of the Corporation. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified in it. The Chairman may, with prior approval of the Board, remove any member of a committee.

6.5 Vacancies

A vacancy in any committee shall be filled for the unexpired portion of the term in the same manner in which original appointment to such committee is made.

6.6 Combination of Committee Functions

The Board may assign the functions of any special and/or standing committee to a combined or new committee or to the Board acting as a committee of the whole.

ARTICLE VII

CONFLICTS OF INTEREST

7.1 General Policy

Directors, officers, staff members and advisory members of the Corporation committees, task forces and similar groups (collectively, "Affiliated Individuals") are expected to act at all times in the best interest of the Corporation, and to avoid both the fact and the appearance of a conflict of interest between the Corporation and other organizations or activities with which the Affiliated Individual may be associated or involved

7.2 Disclosure

7.2.1 Annually, or more often as circumstances warrant, each Affiliated Individual shall provide to the Chairman a written statement regarding Conflicts of Interest, the form and content of which is to be determined from time to time by the Board

7.2.2 Whenever any matter arises in the course of Board or committee meetings or otherwise where Corporation affairs are being considered, which represents a conflict or a potential conflict of interest for an Affiliated Individual, that person will immediately declare the conflict or potential conflict, and thereafter act in accordance with this policy with respect to discussion and/or voting relative to said matter

7.3 Abstention/Removal

Affiliated Individuals shall abstain from voting or the exercise of personal influence on any matter which represents a conflict or a potential conflict of interest for such Individuals. For purposes of determining the presence of a quorum with respect to such matters, such Individuals shall not be counted. Minutes of meetings shall note specifically the abstention of such Individuals due to a conflict or potential conflict of interest, and the participant is limited to general discussion, the provision of information, and/or responses to questions. In the event any matter which represents a conflict or a potential conflict of interest for an Affiliated Individual which materially jeopardizes such Individual's ability to perform its duties to the Corporation, the Board may direct such Individual to remove the cause of the conflict or be removed from the Board

7.4 Gifts and Favors

Affiliated Individuals shall not accept gifts or favors from any firm or individual which does or seeks to do business with, or is a competitor, grant recipient or potential grant recipient of the Corporation, under circumstances which imply reasonably that such action is intended to influence the Affiliated Individual(s) in the performance of his duties. The foregoing does not apply to the acceptance of items of nominal value (i.e. \$50.00) under circumstances or for reasons clearly unrelated to any particular transaction or activity of the Corporation

7.5 Staff Services to Other Organizations

Staff service (a) as a volunteer officer, director, consultant and/or advisor to other charitable, civic, or service organizations, governmental or quasigovernmental units, or other entities, or (b) in such capacities for compensation (including reimbursement of actual and reasonable out-of-pocket expenses) is permitted; provided however, that such service is reported in advance to the Chairman and the President, that the performance of such service is not in conflict with the ability of the individual to properly discharge his responsibilities to the Corporation, that such service is closely monitored to avoid conflict or potential conflict of interest, and that any conflict or potential conflict of interest arising is promptly resolved in favor of the Corporation

ARTICLE VIII

GENERAL PROVISIONS

8.1 Audits and Financial Reports

An independent auditor appointed or approved by the Board, based on recommendation of the Audit Committee shall at such time as the Board may determine but at least annually, prepare for the Corporation as a whole a consolidated financial statement, including a statement of combined capital assets and liabilities, and a statement of income, expenses, and distributions, and a list of projects and/or organizations to or for which funds were distributed or used for charitable purposes, and such other additional reports or information as may be ordered from time to time by the Board. The auditor shall also prepare such financial data as may be necessary for returns or reports that any state or federal government requires the Corporation to file. The auditor's charges and expenses shall be proper expenses of administration.

8.2 Auxiliary and Association Organizations

The Board may authorize the formation of auxiliary and associate organizations to assist in the fulfillment of the purposes of the Corporation and any of its affiliates. Each such organization shall establish its Bylaws, rules and regulations and make amendments thereto which shall be subject to Board approval and which shall not be inconsistent with these Bylaws or the standing rules of the Board. Volunteers, who are not members of the organized auxiliary, shall be governed by the Administrative Policy/Procedure Manual of the Corporation or any of its affiliates.

8.3 Fiscal Year

The fiscal year of the Corporation shall begin on the 1st day of January of each year and end on the 31st day of December of each year.

8.4 Corporate Seal

The seal of the Corporation shall be circular in form and shall have inscribed on its face the words, "Corporate Seal" and the Corporate name

8.5 Waiver of Notice

Whenever any notice is required to be given under the provisions of the Virginia Nonstock Corporation Act, under the Articles of Incorporation, or under these Bylaws, a waiver thereof in writing signed by the person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice where such waiver is permitted by state law. All such waivers shall be filed with the corporate records, or be made a part of the minutes of the relevant meeting.

8.6 Procedure

The Board, Board committees, and special committees may adopt rules of procedure which shall be consistent with these Bylaws.

8.7 Roberts Rules of Order

Any procedure or point of order that is not outlined in these Bylaws will be guided by Roberts Rules of Order.

8.8 Construction of Terms and Headings

Words used in these Bylaws shall be read as the masculine or feminine gender as the singular or plural, as the context requires. The captions or headings in these Bylaws are for convenience only and are not intended to limit or define the scope or effect of any provision of these Bylaws.

8.9 Review of Bylaws

From time to time, as necessary, but not less than biennially, the Bylaws/Governance Committee shall review the Bylaws of the Corporation. After review, the committee shall report to the Board any recommendation or changes deemed necessary or appropriate.

ARTICLE IX

LIABILITY

9.1 General Liability

No officer, committee member or employee of the Corporation, or other persons shall contract or incur any debt on behalf of the Corporation, or in any way render it liable unless authorized by the Board of Directors. No officer, committee member or employee of the Corporation or other person is authorized to promise moral or financial support to any charitable or other objective without the approval of the Board of Directors provided,

however, that the President may negotiate or make such commitments as may be appropriate within the Corporation's budget and for which he shall be accountable to the Board.

The President is responsible for assuring that the Directors and Officers of the Corporation shall at all times be covered by an appropriate level of directors and officers liability insurance

ARTICLE X

AMENDMENTS TO BYLAWS

10.1 Procedure

These Bylaws, or those of any of the affiliates of this Corporation, may be amended or repealed and new Bylaws adopted by a majority vote of the Board of directors present at any regular meeting if at least ten (10) days written notice is given of the intention to take such action

Underpayment of Estimated Tax by Corporations

See separate instructions.
 Attach to the corporation's tax return.

Form 990-PF

2007

Name **Danville Regional Foundation** Employer identification number **20-3319727**

Note: Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2 line 34 on the estimated tax penalty line of the corporation's income tax return, but do not attach Form 2220.

Part I Required Annual Payment

1	Total tax (see instructions)	1	128,203.
2a	Personal holding company tax (Schedule PH (Form 1120) line 26) included on line 1		
2b	Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method		
2c	Credit for Federal tax paid on fuels (see instructions)		
2d	Total. Add lines 2a through 2c	2d	
3	Subtract line 2d from line 1. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty.	3	128,203.
4	Enter the tax shown on the corporation's 2006 income tax return (see instructions). Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5.	4	62,922.
5	Required annual payment. Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3.	5	62,922.

Part II Reasons for Filing - Check the boxes below that apply. If any boxes are checked, the corporation must file Form 2220 even if it does not owe a penalty (see instructions).

- 6 ☐ The corporation is using the adjusted seasonal installment method.
- 7 ☒ The corporation is using the annualized income installment method.
- 8 ☒ The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

Part III Figuring the Underpayment

	(a)	(b)	(c)	(d)
9 Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year.	05/15/07	06/15/07	09/15/07	12/15/07
10 Required installments. If the box on line 6 and/or line 7 above is checked, enter the amounts from Sch A line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 5 above in each column.	13,601.	15,563.	66,989.	27,656.
11 Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15.			93,000.	20,000.
12 Enter amount, if any, from line 18 of the preceding column.				
13 Add lines 11 and 12.			93,000.	20,000.
14 Add amounts on lines 16 and 17 of the preceding column.		13,601.	29,164.	3,153.
15 Subtract line 14 from line 13. If zero or less, enter -0-	0.	0.	63,836.	16,847.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-		13,601.	0.	
17 Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18.	13,601.	15,563.	3,153.	10,809.
18 Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column.				

Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17 - no penalty is owed.

Part IV Figuring the Penalty

	(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions) (Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month)	19			
20 Number of days from due date of installment on line 9 to the date shown on line 19	20			
21 Number of days on line 20 after 4/15/2007 and before 1/1/2008	21			
22 Underpayment on line 17 x $\frac{\text{Number of days on line 21} \times 8\%}{365}$	22	\$	\$	\$
23 Number of days on line 20 after 12/31/2007 and before 4/1/2008	23			
24 Underpayment on line 17 x $\frac{\text{Number of days on line 23} \times 7\%}{366}$	24	\$	\$	\$
25 Number of days on line 20 after 3/31/2008 and before 7/1/2008	25			
26 Underpayment on line 17 x $\frac{\text{Number of days on line 25} \times \%}{366}$	26	\$	\$	\$
27 Number of days on line 20 after 6/30/2008 and before 10/1/2008	27	See Attached Worksheet		
28 Underpayment on line 17 x $\frac{\text{Number of days on line 27} \times \%}{366}$	28	\$	\$	\$
29 Number of days on line 20 after 9/30/2008 and before 1/1/2009	29			
30 Underpayment on line 17 x $\frac{\text{Number of days on line 29} \times \%}{366}$	30	\$	\$	\$
31 Number of days on line 20 after 12/31/2008 and before 2/16/2009	31			
32 Underpayment on line 17 x $\frac{\text{Number of days on line 31} \times \%}{365}$	32	\$	\$	\$
33 Add lines 22 24 26 28 30 and 32	33	\$	\$	\$
34 Penalty. Add columns (a) through (d) of line 33. Enter the total here and on Form 1120; line 33; or the comparable line for other income tax returns	34	\$	928.	

* For underpayments paid after March 31, 2008: For lines 26, 28, 30, and 32, use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at www.irs.gov. You can also call 1-800-829-4933 to get interest rate information.

COPY

Schedule A Adjusted Seasonal Installment Method and Annualized Income Installment Method (see instructions)

Form 1120S filers: For lines 1, 2, 3, and 21, below, "taxable income" refers to excess net passive income or the amount on which tax is imposed under section 1374(a), whichever applies.

Part I - Adjusted Seasonal Installment Method (Caution: Use this method only if the base period percentage for

any 6 consecutive months is at least 70%. See instructions.)

		(a) First 3 months	(b) First 5 months	(c) First 8 months	(d) First 11 months
1 Enter taxable income for the following periods:					
a Tax year beginning in 2004	1a				
b Tax year beginning in 2005	1b				
c Tax year beginning in 2006	1c				
2 Enter taxable income for each period for the tax year beginning in 2007. (see instructions for the treatment of extraordinary items).	2				
3 Enter taxable income for the following periods:		First 4 months	First 6 months	First 9 months	Entire year
a Tax year beginning in 2004	3a				
b Tax year beginning in 2005	3b				
c Tax year beginning in 2006	3c				
4 Divide the amount in each column on line 1a by the amount in column (d) on line 3a.	4				
5 Divide the amount in each column on line 1b by the amount in column (d) on line 3b.	5				
6 Divide the amount in each column on line 1c by the amount in column (d) on line 3c.	6				
7 Add lines 4 through 6.	7				
8 Divide line 7 by 3.0.	8				
9a Divide line 2 by line 8.	9a				
b Extraordinary items (see instructions).	9b				
c Add lines 9a and 9b.	9c				
10 Figure the tax on the amt on line 9c using the instr for Form 1120, Sch J, ln 2 (or comparable ln of corp's return).	10				
11a Divide the amount in columns (a) through (c) on line 3a by the amount in column (d) on line 3a.	11a				
b Divide the amount in columns (a) through (c) on line 3b by the amount in column (d) on line 3b.	11b				
c Divide the amount in columns (a) through (c) on line 3c by the amount in column (d) on line 3c.	11c				
12 Add lines 11a through 11c.	12				
13 Divide line 12 by 3.0.	13				
14 Multiply the amount in columns (a) through (c) of line 10 by columns (a) through (c) of line 13. In column (d) enter the amount from line 10, column (d).	14				
15 Enter any alternative minimum tax for each payment period (see instructions).	15				
16 Enter any other taxes for each payment period (see instr)	16				
17 Add lines 14 through 16.	17				
18 For each period, enter the same type of credits as allowed on Form 2220, lines 1 and 2c (see instructions).	18				
19 Total tax after credits. Subtract line 18 from line 17. If zero or less, enter -0-.	19				

Part II - Annualized Income Installment Method

		(a) First <u>2</u> months	(b) First <u>3</u> months	(c) First <u>6</u> months	(d) First <u>9</u> months
20 Annualization periods (see instructions).	20				
21 Enter taxable income for each annualization period (see instructions).	21	906,750.	1,458,195.	6,798,293.	9,285,681.
22 Annualization amounts (see instructions).	22	6.000000	4.000000	2.000000	1.333333
23a Annualized taxable income. Multiply line 21 by line 22.	23a	5,440,500.	5,832,780.	13,596,586.	12,380,905.
b Extraordinary items (see instructions)	23b				
c Add lines 23a and 23b.	23c	5,440,500.	5,832,780.	13,596,586.	12,380,905.
24 Figure the tax on the amount on line 23c using the instructions for Form 1120, Schedule J, line 2 (or comparable line of corporation's return).	24	54,405.	58,328.	135,966.	123,809.
25 Enter any alternative minimum tax for each payment period (see instructions).	25				
26 Enter any other taxes for each payment period (see instr)	26				
27 Total tax. Add lines 24 through 26.	27	54,405.	58,328.	135,966.	123,809.
28 For each period enter the same type of credits as allowed on Form 2220, lines 1 and 2c (see instructions).	28				
29 Total tax after credits. Subtract line 28 from line 27. If zero or less, enter -0-.	29	54,405.	58,328.	135,966.	123,809.
30 Applicable percentage.	30	25%	50%	75%	100%
31 Multiply line 29 by line 30.	31	13,601.	29,164.	101,975.	123,809.

Part III - Required Installments

		1st installment	2nd installment	3rd installment	4th installment
Note: Complete lines 32 through 38 of one column before completing the next column.					
32 If only Part I or Part II is completed, enter the amount in each column from line 19 or line 31. If both parts are completed, enter the smaller of the amounts in each column from line 19 or line 31.	32	13,601.	29,164.	101,975.	123,809.
33 Add the amounts in all preceding columns of line 38 (see instructions).	33		13,601.	29,164.	96,153.
34 Adjusted seasonal or annualized income installments. Subtract line 33 from line 32. If zero or less, enter -0-.	34	13,601.	15,563.	72,811.	27,656.
35 Enter 25% of line 5 on page 1 of Form 2220 in each column. Note: "Large corporations," see the instructions for line 10 for the amounts to enter.	35	15,731.	48,371.	32,051.	32,051.
36 Subtract line 38 of the preceding column from line 37 of the preceding column.	36		2,130.	34,938.	
37 Add lines 35 and 36.	37	15,731.	50,501.	66,989.	32,051.
38 Required installments. Enter the smaller of line 34 or line 37 here and on page 1 of Form 2220, line 10 (see instructions).	38	13,601.	15,563.	66,989.	27,656.

Form 2220 (2007)

** Annualized Income Installment Method Using Standard Option

COPY

Form 990-PF
UNDERPAYMENT OF ESTIMATED TAX WORKSHEET

Name(s) Danville Regional Foundation					Identifying Number 20-3319727	
(A) *Date	(B) Amount	(C) Adjusted Balance Due	(D) Number Days Balance Due	(E) Daily Penalty Rate	(F) Penalty	
		-0-				
05/15/07	13,601.	13,601.	31	.000219178	92.	
06/15/07	15,563.	29,164.	73	.000219178	467.	
08/27/07	<93,000.>	<63,836.>				
09/15/07	66,989.	3,153.	91	.000219178	63.	
12/15/07	27,656.	30,809.				
12/15/07	<20,000.>	10,809.	16	.000219178	38.	
12/31/07	0.	10,809.	91	.000191257	188.	
03/31/08	0.	10,809.	45	.000163934	80.	
Penalty Due (Sum of Column F)					928.	

* Date of estimated tax payment, withholding credit date or installment due date

COPY