

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

2010

Department of the Treasury
Internal Revenue Service

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

For calendar year **2010**, or tax year beginning _____, and ending _____

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

Name of foundation MCCARTHY FAMILY FOUNDATION, INC.		A Employer identification number 95-4182410
Number and street (or P.O. box number if mail is not delivered to street address) POST OFFICE BOX 27389	Room/suite	B Telephone number (858) 485-0129
City or town, state, and ZIP code SAN DIEGO, CA 92198-1389		C If exemption application is pending, check here <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		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 9,835,741.	J Accounting method: <input checked="" type="checkbox"/> Cash <input 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 <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>		(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	37,977.		N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	37.	37.		STATEMENT 2
	4 Dividends and interest from securities	182,914.	182,914.		STATEMENT 3
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	210,042.			STATEMENT 1
	b Gross sales price for all assets on line 6a	602,230.			
	7 Capital gain net income (from Part IV, line 2)		208,329.		
	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	5,142.	12,196.		STATEMENT 4	
12 Total. Add lines 1 through 11	436,112.	403,476.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees	10,170.	0.		10,170.
	c Other professional fees	26,358.	17,458.		8,900.
	17 Interest				
	18 Taxes	6,086.	1,044.		35.
	19 Depreciation and depletion				
	20 Occupancy	11,232.	0.		11,232.
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses	92,996.	88,467.		4,529.
	24 Total operating and administrative expenses. Add lines 13 through 23	146,842.	106,969.		34,866.
	25 Contributions, gifts, grants paid	369,850.			369,850.
26 Total expenses and disbursements. Add lines 24 and 25	516,692.	106,969.		404,716.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	<80,580.>				
b Net investment income (if negative, enter -0-)		296,507.			
c Adjusted net income (if negative, enter -0-)			N/A		

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only.			Beginning of year		End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing						
	2	Savings and temporary cash investments		240,396.	161,515.	161,770.		
	3	Accounts receivable						
		Less: allowance for doubtful accounts						
	4	Pledges receivable						
		Less: allowance for doubtful accounts						
	5	Grants receivable						
	6	Receivables due from officers, directors, trustees, and other disqualified persons						
	7	Other notes and loans receivable						
		Less: allowance for doubtful accounts						
	8	Inventories for sale or use						
	9	Prepaid expenses and deferred charges						
	10a	Investments - U.S. and state government obligations	STMT 10	61,994.	61,994.	63,064.		
	b	Investments - corporate stock	STMT 11	1,998,715.	1,826,646.	2,326,961.		
	c	Investments - corporate bonds	STMT 12	109,449.	160,761.	170,369.		
	11	Investments - land, buildings, and equipment: basis						
	Less: accumulated depreciation							
12	Investments - mortgage loans							
13	Investments - other	STMT 13	5,119,918.	5,217,598.	7,109,803.			
14	Land, buildings, and equipment: basis							
	Less: accumulated depreciation							
15	Other assets (describe OFFICE EQUIPMENT)		3,774.	3,774.	3,774.			
16	Total assets (to be completed by all filers)		7,534,246.	7,432,288.	9,835,741.			
Liabilities	17	Accounts payable and accrued expenses						
	18	Grants payable						
	19	Deferred revenue						
	20	Loans from officers, directors, trustees, and other disqualified persons						
	21	Mortgages and other notes payable						
	22	Other liabilities (describe)						
	23	Total liabilities (add lines 17 through 22)		0.	0.			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.							
	24	Unrestricted						
	25	Temporarily restricted						
	26	Permanently restricted						
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 31.							
	27	Capital stock, trust principal, or current funds		0.	0.			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.			
	29	Retained earnings, accumulated income, endowment, or other funds		7,534,246.	7,432,288.			
30	Total net assets or fund balances		7,534,246.	7,432,288.				
31	Total liabilities and net assets/fund balances		7,534,246.	7,432,288.				

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	7,534,246.
2	Enter amount from Part I, line 27a	2	<80,580.>
3	Other increases not included in line 2 (itemize)	3	0.
4	Add lines 1, 2, and 3	4	7,453,666.
5	Decreases not included in line 2 (itemize) SEE STATEMENT 9	5	21,378.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	7,432,288.

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 CAPITAL GAIN DIVIDENDS	P	VARIOUS	VARIOUS
b BTR - SEE ATTACHMENT A	P	VARIOUS	VARIOUS
c PARTNERSHIP DISTRIBUTION IN EXCESS OF BASIS	P	VARIOUS	VARIOUS
d TIFF PARTNERS	P	VARIOUS	VARIOUS
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			473.
b 596,725.		511,820.	84,905.
c 5,505.			5,505.
d		<117,446.>	117,446.
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			473.
b			84,905.
c			5,505.
d			117,446.
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	208,329.
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))
2009	403,895.	8,090,943.	.049919
2008	360,463.	9,936,757.	.036276
2007	575,879.	11,085,487.	.051949
2006	492,945.	9,741,418.	.050603
2005	451,890.	8,647,833.	.052255

2 Total of line 1, column (d)	2	.241002
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	.048200
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	8,995,863.
5 Multiply line 4 by line 3	5	433,601.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,965.
7 Add lines 5 and 6	7	436,566.
8 Enter qualifying distributions from Part XII, line 4	8	404,716.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate.
See the Part VI instructions.

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

Table with 11 rows for excise tax calculations. Includes lines 1a through 11 with amounts such as 5,930, 0, 5,930, 0, 5,930, 5,494, 6,000, 11,494, 5,564, and 0.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Columns include question text, Yes, and No. Includes questions 1a through 10 regarding political campaigns, expenditures, and substantial contributors.

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)			X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>WWW.MCCARTHYFAMILYFDN.ORG</u>	X		
14	The books are in care of ► <u>MCCARTHY FAMILY FOUNDATION</u> Telephone no. ► <u>(858) 485-0129</u> Located at ► <u>P.O. BOX 27389, SAN DIEGO, CA</u> ZIP+4 ► <u>92198-1389</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			N/A
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►		Yes	No X

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? <u>ATTACHMENT D</u> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <u>ATTACHMENT D</u> <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 ► <input type="checkbox"/>	1b	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 2010?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► _____, _____, _____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <u>N/A</u>	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2010 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 2010.) <u>N/A</u>	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

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

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No **N/A**

Organizations relying on a current notice regarding disaster assistance check here Yes No

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

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? Yes No

If "Yes" to 6b, file Form 8870.

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No **N/A**

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 15		0.	0.	0.

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

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

Total number of other employees paid over \$50,000 Yes No **0**

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services 0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	8,943,577.
b	Average of monthly cash balances	1b	189,279.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	9,132,856.
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	9,132,856.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	136,993.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	8,995,863.
6	Minimum investment return. Enter 5% of line 5	6	449,793.

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	449,793.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	5,930.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	5,930.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	443,863.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	443,863.
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	443,863.

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	404,716.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	404,716.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	404,716.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				443,863.
2 Undistributed income, if any, as of the end of 2010:				
a Enter amount for 2009 only			363,467.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ 404,716.				
a Applied to 2009, but not more than line 2a			363,467.	
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 2010 distributable amount				41,249.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				402,614.
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 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Prior 3 years				(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see the instructions.)

1 Information Regarding Foundation Managers:

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

SEE STATEMENT 16

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

NONE

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

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

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

SEE STATEMENT 17

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

c Any submission deadlines:

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

Part XV **Supplementary Information** (continued)

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

Recipient	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
Name and address (home or business)				
<p><i>a Paid during the year</i> ATTACHMENT C</p>				369,850.

Total **3a** 369,850.

<p><i>b Approved for future payment</i> UCLA AIDS INSTITUTE 10940 WILSHIRE BLVD, STE 960 LOS ANGELES, CA 90024-1678</p>		IRC SECTION 509(A)(2)	STEM CELL RESEARCH FOR HIV PROTECTION	100,000.
<p>CORP. FOR SUPPORTIVE HOUSING 328 MAPLE ST., 4TH FLOOR SAN DIEGO, CA 92103</p>		IRC SECTION 509(A)(2)	QUALITY INITIATIVE	20,000.
<p>JEWISH FAMILY SERVICES 8804 BALBOA AVENUE SAN DIEGO, CA 92123</p>		IRC SECTION 509(A)(2)	CHAMP PROGRAM	10,000.

Total **3b** 130,000.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, 990-EZ, or 990-PF.**

OMB No. 1545-0047

2010

Name of the organization

MCCARTHY FAMILY FOUNDATION, INC.

Employer identification number

95-4182410

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)() (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization MCCARTHY FAMILY FOUNDATION, INC.	Employer identification number 95-4182410
-----------------------------------------------------------------	-----------------------------------------------------

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<u>JAMES & JANE MCCARTHY</u> <u>POST OFFICE BOX 27389</u> <u>SAN DIEGO, CA 921981389</u>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	<u>JAMES & JANE MCCARTHY</u> <u>POST OFFICE BOX 27389</u> <u>SAN DIEGO, CA 921981389</u>	\$ 27,977.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization MCCARTHY FAMILY FOUNDATION, INC.	Employer identification number 95-4182410
---------------------------------------------------------------------	---------------------------------------------------------

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
2	525 SHARES BARRICK GOLD CORP. STOCK	\$ 27,977.	12/09/10
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____

Name of organization MCCARTHY FAMILY FOUNDATION, INC.	Employer identification number 95-4182410
---------------------------------------------------------------------	---------------------------------------------------------

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED PURCHASED	(F) DATE ACQUIRED VARIOUS	(F) DATE SOLD VARIOUS
CAPITAL GAIN DIVIDENDS	0.	0.	0.	0.	0.	473.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED PURCHASED	(F) DATE ACQUIRED VARIOUS	(F) DATE SOLD VARIOUS
BTR - SEE ATTACHMENT A	596,725.	511,820.	0.	0.	0.	84,905.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED PURCHASED	(F) DATE ACQUIRED VARIOUS	(F) DATE SOLD VARIOUS
PARTNERSHIP DISTRIBUTION IN EXCESS OF BASIS	5,505.	0.	0.	0.	0.	5,505.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	MANNER ACQUIRED PURCHASED	DATE ACQUIRED VARIOUS	(F) GAIN OR LOSS
TIFF PARTNERS	0.	<119,159.>	0.			119,159.
CAPITAL GAINS DIVIDENDS FROM PART IV						0.
TOTAL TO FORM 990-PF, PART I, LINE 6A						210,042.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS	STATEMENT	2
SOURCE	AMOUNT	
INTEREST INCOME - CHECKING		37.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A		37.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	3	
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDEND INCOME - INV	124,243.	0.	124,243.
DIVIDEND INCOME - K-1	21,484.	0.	21,484.
INTEREST INCOME - INV	10,728.	0.	10,728.
INTEREST INCOME - K-1	26,459.	0.	26,459.
TOTAL TO FM 990-PF, PART I, LN 4	182,914.	0.	182,914.

FORM 990-PF	OTHER INCOME		STATEMENT	4
DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	
OTHER INVESTMENT INCOME FROM K-1S	1,692.	12,196.		
TAX REFUND	3,450.	0.		
TOTAL TO FORM 990-PF, PART I, LINE 11	5,142.	12,196.		

FORM 990-PF	ACCOUNTING FEES		STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	10,170.	0.		10,170.
TO FORM 990-PF, PG 1, LN 16B	10,170.	0.		10,170.

FORM 990-PF	OTHER PROFESSIONAL FEES		STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MANAGEMENT & ADMINISTRATIVE FEES	26,358.	17,458.		8,900.
TO FORM 990-PF, PG 1, LN 16C	26,358.	17,458.		8,900.

FORM 990-PF	TAXES		STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX FILING FEES	35.	0.		35.
FOREIGN TAXES	1,051.	1,044.		0.
ESTIMATED TAXES	5,000.	0.		0.
TO FORM 990-PF, PG 1, LN 18	6,086.	1,044.		35.

FORM 990-PF	OTHER EXPENSES			STATEMENT	8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
POSTAGE EXPENSE	272.	0.		272.	
OTHER DEDUCTIONS - K-1	88,467.	88,467.		0.	
BANK CHARGES	310.	0.		310.	
INSURANCE	2,592.	0.		2,592.	
MISCELLANEOUS	140.	0.		140.	
DUES & PUBLICATIONS	450.	0.		450.	
TELEPHONE	745.	0.		745.	
STATE FEE	20.	0.		20.	
TO FORM 990-PF, PG 1, LN 23	92,996.	88,467.		4,529.	

FORM 990-PF	OTHER DECREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	9
DESCRIPTION		AMOUNT	
DIFFERENCE BETWEEN FAIR MARKET VALUE AND BASIS FOR CONTRIBUTED STOCK PRIOR YEAR ADJUSTMENT		18,990. 2,388.	
TOTAL TO FORM 990-PF, PART III, LINE 5		21,378.	

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS		STATEMENT	10
DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
BTR PORTFOLIO - SEE ATTACHMENT B	X		61,994.	63,064.
TOTAL U.S. GOVERNMENT OBLIGATIONS			61,994.	63,064.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			61,994.	63,064.

FORM 990-PF	CORPORATE STOCK	STATEMENT 11
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
BTR PORTFOLIO MUTUAL FUNDS - SEE ATTACHMENT B	125,682.	128,694.
BTR PORTFOLIO EQUITIES - SEE ATTACHMENT B	1,664,894.	2,161,477.
BTR PORTFOLIO REIT - SEE ATTACHMENT B	36,070.	36,790.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,826,646.	2,326,961.

FORM 990-PF	CORPORATE BONDS	STATEMENT 12
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
BTR PORTFOLIO - SEE ATTACHMENT B	160,761.	170,369.
TOTAL TO FORM 990-PF, PART II, LINE 10C	160,761.	170,369.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 13	
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
TIFF INTERNATIONAL EQUITY FUND	COST	755,955.	865,797.
TIFF MULTI-ASSET FUND	COST	838,793.	1,090,738.
LONGLEAF PARTNERS FUND	COST	797,511.	1,044,233.
LONGLEAF SMALL-CAP FUND	COST	259,447.	418,379.
TIFF PARTNERS III	COST	58,585.	69,518.
TIFF ARP	COST	250,000.	1,188,542.
TIFF R&RI	COST	0.	81,279.
TIFF REP I	COST	111,530.	121,457.
TIFF V-US	COST	168,543.	201,532.
TIFF V-INT	COST	177,547.	166,059.
TIFF IV	COST	117,762.	155,474.
TIFF REP II	COST	383,842.	249,554.
TIFF RR II	COST	334,324.	327,928.
TPEP 2005	COST	308,236.	372,526.
TIFF 2007	COST	443,647.	528,994.
TIFF 2008	COST	183,005.	187,718.
TPEP 2010	COST	18,101.	17,798.
TIFF ROF	COST	10,770.	9,086.
TIFF II	COST	0.	13,191.
TOTAL TO FORM 990-PF, PART II, LINE 13		5,217,598.	7,109,803.

FORM 990-PF

LIST OF SUBSTANTIAL CONTRIBUTORS
PART VII-A, LINE 10

STATEMENT 14

NAME OF CONTRIBUTOR

ADDRESS

JAMES AND JANE MCCARTHY

PO BOX 27389
SAN DIEGO, CA 92198-1389

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 15

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
RACHEL M. BENDER P.O. BOX 27389 SAN DIEGO, CA 92198	PRESIDENT 10.00	0.	0.	0.
JANE D. MCCARTHY P.O. BOX 27389 SAN DIEGO, CA 92198	SECRETARY 2.00	0.	0.	0.
JAMES T. MCCARTHY P.O. BOX 27389 SAN DIEGO, CA 92198	TREASURER 5.00	0.	0.	0.
KRISTIN L. MCCARTHY P.O. BOX 27389 SAN DIEGO, CA 92198	VICE PRESIDENT 1.00	0.	0.	0.
BRANT R. BENDER P.O. BOX 27389 SAN DIEGO, CA 92198	VICE PRESIDENT 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

PART XV - LINE 1A
LIST OF FOUNDATION MANAGERS

STATEMENT 16

NAME OF MANAGER

JANE D. MCCARTHY
JAMES T. MCCARTHY

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 17

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

RACHEL M. BENDER, PRESIDENT, POST OFFICE BOX 27389

SAN DIEGO, CA 92198-1389

TELEPHONE NUMBER

(858)485-0129

FORM AND CONTENT OF APPLICATIONS

A LETTER IDENTIFYING THE ORGANIZATION DEMONSTRATING SECTION 501(C)(3) STATUS AS A PUBLIC CHARITY, THE NATURE OF THE REQUEST AND APPROPRIATE INFORMATION. APPLICATION GUIDELINES ARE AVAILABLE BY WRITING TO THE FOUNDATION OR AT ITS WEBSITE: WWW.MCCARTHYFAMILYFDN.ORG

ANY SUBMISSION DEADLINES

MARCH 15 AND SEPTEMBER 15

RESTRICTIONS AND LIMITATIONS ON AWARDS

FOUNDATION PUBLISHES ANNUAL APPLICATION GUIDELINES. FUNDING IN CALIFORNIA, PRIMARILY IN SAN DIEGO COUNTY.

REALIZED GAIN/LOSS DETAIL

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
04/09/10	250.000	BHP BILLITON LIMITED - ADR 250.0000 UNITS ACQUIRED ON 05/04/04	- \$4,255.62 4,255.62	\$20,589.28	\$0.00	\$16,333.66
07/06/10	1,500.000	CVS/CAREMARK CORPORATION 1,500.0000 UNITS ACQUIRED ON 11/15/06	- 43,872.45 43,872.45	44,381.99	0.00	509.54
01/13/10	700.000	DEVON ENERGY CORPORATION 700.0000 UNITS ACQUIRED ON 02/09/04	- 18,987.50 18,987.50	53,016.56	0.00	34,029.06
04/19/10	400.000	FPL GROUP INC 400.0000 UNITS ACQUIRED ON 02/06/06	- 16,307.80 16,307.80	19,388.08	0.00	3,080.28
12/06/10	1,000.000	GILEAD SCIENCES INC 1,000.0000 UNITS ACQUIRED ON 10/27/09	- 42,978.95 42,978.95	37,231.42	0.00	- 5,747.53
07/06/10	400.000	ISHARES TR DOW JONES MEDICAL DEVICES 400.0000 UNITS ACQUIRED ON 05/09/08	- 22,722.46 22,722.46	21,559.60	0.00	- 1,162.86
12/06/10	500.000	JOHNSON & JOHNSON 500.0000 UNITS ACQUIRED ON 12/05/05	- 30,821.40 30,821.40	31,080.52	0.00	259.12
04/13/10	600.000	MURPHY OIL CORP 600.0000 UNITS ACQUIRED ON 05/05/06	- 31,015.95 31,015.95	35,710.82	0.00	4,694.87
03/16/10	2,200.000	NORTHEAST UTILS 400.0000 UNITS ACQUIRED ON 12/07/05 500.0000 UNITS ACQUIRED ON 12/06/05 900.0000 UNITS ACQUIRED ON 04/07/08 400.0000 UNITS ACQUIRED ON 11/06/09	- 49,549.50 7,696.00 9,545.00 23,032.95 9,275.55	58,283.30	1,321.41	7,412.39
08/20/10	250.000	POTASH CORP SASK 250.0000 UNITS ACQUIRED ON 02/05/09	- 20,762.47 20,762.47	35,356.05	0.00	14,593.58
07/12/10	2,600.000	SYMANTEC CORP 1,900.0000 UNITS ACQUIRED ON 08/07/09 700.0000 UNITS ACQUIRED ON 11/06/09	- 41,947.85 29,727.60 12,220.25	37,005.42	- 4,942.43	0.00
12/06/10	1,200.000	VANGUARD BD INDEX FD INC 1,200.0000 UNITS ACQUIRED ON 11/06/09	- 95,997.75 95,997.75	97,319.40	0.00	1,321.65
02/05/10	2,281.553	VANGUARD FIXED INC SECS GNMA #36 42,1710 UNITS ACQUIRED ON 12/13/07 2,239,3820 UNITS ACQUIRED ON 12/11/07	- 23,500.58 435.20 23,065.38	24,572.33	0.00	1,071.75
03/15/10	5,000.000	VANGUARD FIXED INC SECS GNMA #36 5,000.0000 UNITS ACQUIRED ON 12/11/07	- 51,499.42 51,499.42	54,050.00	0.00	2,550.58



Account Statement For:
MCCARTHY FAMILY FOUNDATION-BTR

Period Covered: January 1, 2010 - December 31, 2010

REALIZED GAIN/LOSS DETAIL *(continued)*

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
09/20/10	400.000	VISA INC-CLASS A SHRS 400.0000 UNITS ACQUIRED ON 03/18/08	-17,600.00 17,600.00	27,179.59	0.00	9,579.59
Total This Period			- \$511,819.70	\$596,724.36	- \$3,621.02	\$88,525.68
					84,904.66	TOTAL GAIN

Gain/Loss information is un-audited and should not be used for tax preparation, estate and/or retirement planning purposes.



Account Statement For:
MCCARTHY FAMILY FOUNDATION-BTR

Period Covered: December 1, 2010 - December 31, 2010

ASSET DETAIL

ASSET DESCRIPTION

Fixed Income

MUNICIPAL BONDS

CALIFORNIA ST
BUILD AMERICA BONDS-TAXABLE-VA
DTD 04/28/09 5.250 04/01/2014
CUSIP: 13063A5B6
MOODY'S RATING: A1
STANDARD & POOR'S RATING: A-

Total Municipal Bonds

	PAR VALUE	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	YIELD TO MATURITY
	60,000,000	\$105.106	\$63,063.60	\$61,994.40	\$1,069.20	\$3,150.00	3.57%
Total Municipal Bonds			\$63,063.60	\$61,994.40	\$1,069.20	\$3,150.00	



Account Statement For:
MCCARTHY FAMILY FOUNDATION-BTR

Period Covered: December 1, 2010 - December 31, 2010

ASSET DETAIL (continued)

ASSET DESCRIPTION

Fixed Income (continued)

CORPORATE OBLIGATIONS
 GENERAL ELEC CAP CORP
 DTD 06/07/02 6.000 06/15/2012
 CUSIP: 36962GYY4
 MOODY'S RATING: AA2
 STANDARD & POOR'S RATING: AA+
 INGERSOLL-RAND GL HLD CO
 DTD 08/15/08 6.000 08/15/2013
 CUSIP: 45687AAB8
 MOODY'S RATING: BAA1
 STANDARD & POOR'S RATING: BBB+
 L-3 COMMUNICATIONS CORP
 DTD 01/15/05 5.875 01/15/2015
 CUSIP: 502413AS6
 MOODY'S RATING: BA1
 STANDARD & POOR'S RATING: BB+

Total Corporate Obligations

ASSET DESCRIPTION	PAR VALUE	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	YIELD TO MATURITY
GENERAL ELEC CAP CORP	60,000,000	\$106.901	\$64,140.60	\$59,698.80	\$4,441.80	\$3,600.00	1.20%
INGERSOLL-RAND GL HLD CO	50,000,000	110.581	55,290.50	49,750.00	5,540.50	3,000.00	1.85
L-3 COMMUNICATIONS CORP	50,000,000	101.875	50,937.50	51,312.50	- 375.00	2,937.50	5.35
Total Corporate Obligations			\$170,368.60	\$160,761.30	\$9,607.30	\$9,537.50	

ASSET DESCRIPTION

Fixed Income

DOMESTIC MUTUAL FUNDS
 SPDR BARCLAYS CAPITAL SHORT TERM CORPORATE BOND ETF
 CUSIP: 78464A474
 VANGUARD SHORT TERM INVESTMENT GRADE FUND
 CUSIP: 922031406

Total Domestic Mutual Funds

Total Fixed Income

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
SPDR BARCLAYS CAPITAL SHORT TERM CORPORATE BOND ETF	2,200,000	\$30.250	\$66,550.00	\$66,252.23	\$297.77	\$1,295.80	1.95%
VANGUARD SHORT TERM INVESTMENT GRADE FUND	5,770.083	10.770	62,143.79	59,430.00	2,713.79	2,088.77	3.36
Total Domestic Mutual Funds			\$128,693.79	\$125,682.23	\$3,011.56	\$3,384.57	2.63%
Total Fixed Income			\$362,125.99	\$348,437.93	\$13,688.06	\$16,072.07	



Account Statement For:
MCCARTHY FAMILY FOUNDATION-BTR

Period Covered: December 1, 2010 - December 31, 2010

ASSET DETAIL (continued)

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
Equities							
CONSUMER STAPLES							
COCA COLA CO SYMBOL: KO CUSIP: 191216100	1,100,000	\$65.770	\$72,347.00	\$63,073.45	\$9,273.55	\$1,936.00	2.68%
PROCTER & GAMBLE CO SYMBOL: PG CUSIP: 742718109	450,000	64.330	28,948.50	25,120.06	3,828.44	867.15	2.99
WAL MART STORES INC SYMBOL: WMT CUSIP: 931142103	800,000	53.930	43,144.00	40,803.95	2,340.05	968.00	2.24
Total Consumer Staples			\$144,439.50	\$128,997.46	\$15,442.04	\$3,771.15	2.61%
ENERGY							
CHEVRON CORP SYMBOL: CVX CUSIP: 166764100	800,000	\$91.250	\$73,000.00	\$22,274.25	\$50,725.75	\$2,304.00	3.16%
KAYNE ANDERSON MLP INVT CO COM SYMBOL: KYN CUSIP: 486606106	1,600,000	31.470	50,352.00	41,692.31	8,659.69	3,104.00	6.16
Total Energy			\$123,352.00	\$63,966.56	\$59,385.44	\$5,408.00	4.38%
FINANCIALS							
BERKSHIRE HATHAWAY INC. SYMBOL: BRK.B CUSIP: 084670702	500,000	\$80.110	\$40,055.00	\$28,341.42	\$11,713.58	\$0.00	0.00%
Total Financials			\$40,055.00	\$28,341.42	\$11,713.58	\$0.00	0.00%
HEALTH CARE							
ABBOTT LABS SYMBOL: ABT CUSIP: 002824100	800,000	\$47.910	\$38,328.00	\$26,914.57	\$11,413.43	\$1,408.00	3.67%
ISHARES NASDAQ BIOTECH INDEX SYMBOL: IBB CUSIP: 464287556	350,000	93.420	32,697.00	28,035.49	4,661.51	178.50	0.55
THERMO FISHER SCIENTIFIC INC SYMBOL: TMO CUSIP: 883556102	1,400,000	55.360	77,504.00	32,580.52	44,923.48	0.00	0.00
Total Health Care			\$148,529.00	\$87,530.58	\$60,998.42	\$1,586.50	1.07%



Account Statement For:
MCCARTHY FAMILY FOUNDATION-BTR

Period Covered: December 1, 2010 - December 31, 2010

ASSET DETAIL (continued)

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
Equities (continued)							
INDUSTRIALS							
POWERSHARES DYN WATER RESOURCES SYMBOL: PHO CUSIP: 73935X575	2,300,000	\$18.990	\$43,677.00	\$31,742.19	\$11,934.81	\$177.10	0.40%
UNITED PARCEL SERVICE-CL B SYMBOL: UPS CUSIP: 911312106	900,000	72.580	65,322.00	51,949.95	13,372.05	1,692.00	2.59
Total Industrials			\$108,999.00	\$83,692.14	\$25,306.86	\$1,869.10	1.71%
INFORMATION TECHNOLOGY							
CISCO SYSTEMS INC SYMBOL: CSCO CUSIP: 17275R102	2,200,000	\$20.230	\$44,506.00	\$58,249.95	-\$13,743.95	\$0.00	0.00%
E M C CORP MASS SYMBOL: EMC CUSIP: 268648102	4,200,000	22.900	96,180.00	62,337.90	33,842.10	0.00	0.00
HEWLETT PACKARD CO SYMBOL: HPQ CUSIP: 428236103	900,000	42.100	37,890.00	40,024.95	- 2,134.95	288.00	0.76
ORACLE CORPORATION SYMBOL: ORCL CUSIP: 68389X105	2,400,000	31.300	75,120.00	49,888.95	25,231.05	480.00	0.64
QUALCOMM INC SYMBOL: QCOM CUSIP: 747525103	1,100,000	49.490	54,439.00	43,163.45	11,275.55	836.00	1.54
Total Information Technology			\$308,135.00	\$253,665.20	\$54,469.80	\$1,604.00	0.52%
UTILITIES							
PPL CORPORATION SYMBOL: PPL CUSIP: 69351T106	1,800,000	\$26.320	\$47,376.00	\$46,601.55	\$774.45	\$2,520.00	5.32%
Total Utilities			\$47,376.00	\$46,601.55	\$774.45	\$2,520.00	5.32%



ASSET DETAIL (continued)

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
Equities (continued)							
INTERNATIONAL EQUITIES							
BANCO SANTANDER BRASIL SA CUSIP: 05967A107	2,800,000	\$13.600	\$38,080.00	\$38,404.99	-\$324.99	\$708.40	1.86%
BARRICK GOLD CORP COM CUSIP: 067901108	1,400,000	53.180	74,452.00	24,006.78	50,445.22	672.00	0.90
GOLDCORP INC NEW CUSIP: 380956409	800,000	45.980	36,784.00	20,214.33	16,569.67	288.00	0.78
SCHLUMBERGER LTD CUSIP: 806857108	700,000	83.500	58,450.00	20,556.66	37,893.34	588.00	1.01
SIEMENS AG - ADR SPONSORED ADR CUSIP: 826197501	500,000	124.250	62,125.00	64,404.46	- 2,279.46	1,358.00	2.19
SYNGENTA AG - ADR SPONSORED ADR CUSIP: 87160A100	900,000	58.780	52,902.00	46,677.84	6,224.16	809.10	1.53
TYCO INTERNATIONAL LTD NEW CUSIP: H89128104	1,400,000	41.440	58,016.00	55,860.75	2,155.25	1,176.00	2.03
WEATHERFORD INTNTL LTD NEW CUSIP: H27013103	2,800,000	22.800	63,840.00	41,923.50	21,916.50	0.00	0.00
Total International Equities			\$444,649.00	\$312,049.31	\$132,599.69	\$5,599.50	1.26%
DOMESTIC MUTUAL FUNDS							
ASIA TIGERS FD INC COM SYMBOL: GRR CUSIP: 04516T105	4,000,000	\$19.680	\$78,720.00	\$30,552.00	\$48,168.00	\$200.00	0.25%
ISHARES RUSSELL 2000 GROWTH INDEX FUND SYMBOL: IWO CUSIP: 464287648	7,800,000	87.420	681,876.00	595,414.42	86,461.58	4,516.20	0.66
ISHARES TR DOW JONES US MEDICAL DEVICES INDEX SYMBOL: IHI CUSIP: 464288810	600,000	58.910	35,346.00	34,083.69	1,262.31	49.20	0.14
Total Domestic Mutual Funds			\$795,942.00	\$660,050.11	\$135,891.89	\$4,765.40	0.60%
Total Equities			\$2,161,476.50	\$1,664,894.33	\$496,582.17	\$27,123.65	1.25%



Account Statement For:
MCCARTHY FAMILY FOUNDATION-BTR

Period Covered: December 1, 2010 - December 31, 2010

ASSET DETAIL *(continued)*

ASSET DESCRIPTION

Real Assets

REAL ESTATE INVESTMENT TRUSTS (REITS)

HCP INC

SYMBOL: HCP CUSIP: 40414L109

Total Real Estate Investment Trusts (Reits)

Total Real Assets

	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
	1,000.000	\$36.790	\$36,790.00	\$36,070.00	\$720.00	\$1,860.00	5.06%
Total Real Estate Investment Trusts (Reits)			\$36,790.00	\$36,070.00	\$720.00	\$1,860.00	5.06%
Total Real Assets			\$36,790.00	\$36,070.00	\$720.00	\$1,860.00	5.06%

ACCOUNT VALUE
AS OF 12/31/10

\$2,614,381.22	\$2,103,390.99	\$510,990.23	\$45,077.32
	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME

TOTAL ASSETS

**MCCARTHY FAMILY FOUNDATION
2010 990PF**

**GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR**

<u>RECIPIENT NAME AND ADDRESS</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
HIV/AIDS		
San Diego HIV Funding Collaborative c/o Human Dignity Foundation 444 Camino del Rio South, Ste. 107 San Diego, CA 92108	Regional Collaboration	\$50,000
UCLA AIDS Institute 10940 Wilshire Blvd., Ste. 960 Los Angeles, CA 90024-1678	Research Equipment	\$50,000
Sub-Total (2 grants)		\$100,000
CHILD ABUSE		
Abraxas High School 12450 Glen Oak Road Poway, CA 92064	Continuation HS SAFE Center	\$10,000
Access 4420 Hotel Circle Court, Ste. 100 San Diego, CA 92108	VAWA Leadership Project	\$15,000
Children's Initiative 4438 Ingraham Street San Diego, CA 92109	County Report Card	\$10,000
Family Health Ctr., San Diego 823 Gateway Center Way San Diego, CA 92102	Project BASTA!	\$10,000
Jewish Family Service 8804 Balboa Avenue San Diego, CA 92123	CHAMP (Children are more protected)	\$5,000
Palomar Pomerado Health 555 East Valley Parkway Escondido, CA 92025	Bilingual Forensic Interviewing	\$9,000

San Diego Youth Services 3255 Wing Street San Diego, CA 92110	TAY Academy Planning	\$3,000
United Through Reading 11750 Sorrento Valley Road, Ste. 100 San Diego, CA 92121	Transitions Program	\$5,000
Voices for Children 2851 Meadow Lark Drive San Diego, CA 92123	CASAs (Court Appointed Special Advocates)	\$10,000
Sub-Total (9 grants)		\$77,000

HOMELESS PERSONS

1420 Charitable Organization (TACO) 1420 Third Avenue San Diego, CA 92101	End of Live Services	\$10,000
Corporation for Supportive Housing 328 Maple Street, 4 th Floor San Diego, CA 92103	Commitment to Quality Initiative	\$10,000
Home Start 5005 Texas Street, Ste. 203 San Diego, CA 92108	Maternity Shelter	\$10,000
Interfaith Shelter Network 3530 Camino del Rio North, Ste. 301 San Diego, CA 92108	Rotational Shelter	\$5,000
Interfaith Community Services 550 West Washington Ave., Ste. B Escondido, CA 92025	Family Housing	\$5,000
North County Community Services 1557 Grand Avenue, Ste. C San Marcos, CA 92078	Regional Winter Shelter	\$5,000
Regional Task Force for the Homeless 4699 Murphy Canyon San Diego, CA 92123	BEST Project for Service Providers	\$5,000
San Diego Grantmakers 5060 Shoreham Pl., Ste. 350 San Diego, CA 92122	Homeless Working Group Regional Plan	\$5,000

San Diego Rescue Mission PO Box 80427 San Diego, CA 92138	General Operating	\$10,000
The Center 3909 Centre Street San Diego, CA 92103	Youth Housing	\$10,000
The Salvation Army 4170 Balboa Avenue San Diego, CA 92121	Transitional Living	\$10,000
Sub-Total (11 grants)		\$85,000

SCIENCE EDUCATION

Birch Aquarium 9500 Gilman Drive Mail Code 0207 La Jolla, CA 92093-0207	Pre-K to 12 education	\$14,000
Boys & Girls Clubs of Greater San Diego 115 W. Woodward Avenue Escondido, CA 92025	Summer Science Week	\$5,000
Carlsbad Educational Foundation 5631 Palmer Way, Ste. L Carlsbad, CA 92010	Science Olympiad, Carlsbad High School	\$10,000
Girl Scouts, San Diego- Imperial Council 1231 Upas Street San Diego, CA 92103	Outreach Science Program	\$10,000
High Tech High North County 1420 West San Marcos Blvd. San Marcos, CA 92078	12 th Grade Environmental Engineering	\$10,000
Jefferson Elementary PTA 3743 Jefferson Street Carlsbad, CA 92008	5 th Grade Science Exhibition	\$10,000
King-Chavez Academy Of Excellence 4850 Logan Avenue San Diego, CA 92113-2412	Science Materials	\$15,000

Salk Institute 10010 North Torrey Pines Road La Jolla, CA 92037	Mobile Science Lab	\$7,500
Waldorf School of San Diego 4135 54 th Place San Diego, CA 92105	Equipment New High School	\$5,000
Zoological Society of San Diego P. O. Box 120551 San Diego, CA 92112-0551	Schools Science Ed.	\$5,000
Sub-Total (10 grants)		\$91,500
SPECIAL PROJECTS		
Foundation Center 79 Fifth Avenue New York, NY 10003-3076	General Support	\$2,500
National Center Family Philanthropy 1818 N Street NW, Ste. 300 Washington, DC 20036	Friends of Family	\$500
San Diego Grantmakers 5060 Shoreham Place, Ste. 350 San Diego, CA 92122	Grant beyond Dues Annual Conference	\$850 \$1,000
Sub-Total (4 grants)		\$4,850
DIRECTORS MATCHING GRANTS		
Compass Family Center 444 Camino del Rio South, Ste. 106 San Diego, CA 92108	Operating Support	\$1,500
United Way of San Diego County 4699 Murphy Canyon Road San Diego, CA 92123	Community Fund Designations	\$10,000
Sub-Total (2 grants)		\$11,500
TOTAL 2010 GRANTS & CONTRIBUTIONS (38 grants)		\$369,850

Note: All grant recipients are public charities. The reason for their non-private foundation status is either Sec. 509(A)(1) or (2).

STATEMENT REGARDING ACTIVITIES

- (3) THE FOUNDATION DOES NOT FURNISH GOODS, SERVICES, OR FACILITIES TO A DISQUALIFIED PERSON. THE FOUNDATION DOES ACCEPT FREE OFFICE SPACE AT NO COST, FROM JANE AND JAMES MCCARTHY, WHO ARE DISQUALIFIED PERSONS.

- (4) THE FOUNDATION DOES NOT PAY COMPENSATION TO ANY DISQUALIFIED PERSON. THE FOUNDATION DOES REIMBURSE SOME TRAVEL EXPENSES INCURRED BY DISQUALIFIED PERSONS. THE TRAVEL EXPENSES WERE REASONABLE AND NECESSARY IN CARRYING OUT THE EXEMPT PURPOSE OF THE FOUNDATION.