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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545-0052

2008

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

For calendar year 2008, or tax year beginning **SEP 1, 2008**, and ending **AUG 31, 2009**G Check all that apply: ☐ Initial return ☐ Final return ☐ Amended return ☐ Address change ☐ Name changeUse the IRS
label.
Otherwise,
print
or type.
See Specific
Instructions.

Name of foundation

RUDGE FOUNDATION**C/O NORTHERN TRUST BANK**

Number and street (or P O box number if mail is not delivered to street address)

26714 S. ALMA SCHOOL ROAD

City or town, state, and ZIP code

SUN LAKES, AZ 85248

Room/suite

A Employer identification number

51-0403419

B Telephone number

480-483-1170C If exemption application is pending, check here ☐D 1. Foreign organizations, check here ☐2. Foreign organizations meeting the 85% test,
check here and attach computation ☐E If private foundation status was terminated
under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination
under section 507(b)(1)(B), check here ☐H Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationI Fair market value of all assets at end of year
(from Part II, col. (c), line 16) ☐ Accounting method: ☒ Cash ☐ Accrual
☐ Other (specify)\$ **701,953.** (Part I, column (d) must be on cash basis.)**Part I Analysis of Revenue and Expenses**(The total of amounts in columns (b), (c), and (d) may not
necessarily equal the amounts in column (a).)(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

2 Check ☒ if the foundation is not required to attach Sch B3 Interest on savings and temporary
cash investments

4 Dividends and interest from securities

19,641.**19,641.****STATEMENT 2**

5a Gross rents

b Net rental income or (loss)

6a Net gain or (loss) from sale of assets not on line 10

<72,765.>**STATEMENT 1**b Gross sales price for all
assets on line 6a **306,556.**

7 Capital gain net income (from Part IV, line 2)

0.

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

1,104.**1,104.****STATEMENT 3**

12 Total. Add lines 1 through 11

<52,020.>**20,745.**

13 Compensation of officers, directors, trustees, etc

0.**0.**

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees

b Accounting fees

STMT 4**4,900.****2,450.****2,450.**

c Other professional fees

STMT 5**5,916.****2,957.****2,959.**

17 Interest

18 Taxes

STMT 6**298.****115.****0.**

19 Depreciation and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses

24 Total operating and administrative

expenses. Add lines 13 through 23

11,114.**5,522.****5,409.**

25 Contributions, gifts, grants paid

45,000.**45,000.**

26 Total expenses and disbursements.

Add lines 24 and 25

56,114.**5,522.****50,409.**

27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

<108,134.>

b Net investment income (if negative, enter -0-)

15,223.

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** (2008)

Part II Balance Sheets		Beginning of year (a) Book Value	End of year	
			(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	75,318.	52,605.	52,605.
	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			
	b Investments - corporate stock STMT 8	491,328.	373,239.	395,007.
	c Investments - corporate bonds STMT 9	202,399.	219,238.	229,854.
Liabilities	11 Investments - land, buildings, and equipment, basis ▶			
	Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 10	0.	20,000.	24,487.
	14 Land, buildings, and equipment, basis ▶			
	Less: accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	769,045.	665,082.	701,953.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	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.	
	Foundations that follow SFAS 117, check here ▶ ☐			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	786,850.	786,850.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	<17,805.>	<121,768.>	
	30 Total net assets or fund balances	769,045.	665,082.	
	31 Total liabilities and net assets/fund balances	769,045.	665,082.	

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	769,045.
2 Enter amount from Part I, line 27a	2	<108,134.>
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 7	3	4,171.
4 Add lines 1, 2, and 3	4	665,082.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	665,082.

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			
b SEE ATTACHED STATEMENT			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 306,556.		379,321.	<72,765.>

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			<72,765.>

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	<72,765.>
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))
2007	48,450.	883,761.	.054823
2006	41,541.	927,160.	.044805
2005	35,651.	814,334.	.043779
2004	22,761.	728,868.	.031228
2003	22,062.	676,991.	.032588

2 Total of line 1, column (d)	2	.207223
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	.041445
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	664,492.
5 Multiply line 4 by line 3	5	27,540.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	152.
7 Add lines 5 and 6	7	27,692.
8 Enter qualifying distributions from Part XII, line 4	8	50,409.

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)

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ 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 ☒ and enter 1% of Part I, line 27b		1	152.
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	152.
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	152.
6 Credits/Payments:			
a 2008 estimated tax payments and 2007 overpayment credited to 2008	6a	400.	
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	400.	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	248.	
11 Enter the amount of line 10 to be: Credited to 2009 estimated tax ☒ 248. Refunded ☐	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ☒ \$ 0. (2) On foundation managers. ☒ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ☒ \$ 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
b If "Yes," has it filed a tax return on Form 990-T for this year?		
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) ☒ AZ		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV)? 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

N/A

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)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>NA</u>	13	X	
14	The books are in care of ► <u>HENRY & HORNE, LLP</u> Telephone no. ► <u>480-483-1170</u> Located at ► <u>7098 E. COCHISE ROAD, SUITE 100, SCOTTSDALE, AZ</u> ZIP+4 ► <u>85253</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.

1a During the year did the foundation (either directly or indirectly):

- (1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No
- (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No
- (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No
- (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No
- (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No
- (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No

b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?
Organizations relying on a current notice regarding disaster assistance check hereN/A
► ☐**c** Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?

	Yes	No
1b		
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 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? ☐ Yes ☒ No

If "Yes," list the years ► _____, _____, _____, _____

b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see 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?☐ Yes ☒ No**b** If "Yes," did it have excess business holdings in 2008 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2008.)

N/A

4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?

	Yes	No
3b		
4a		X
4b		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 2008?

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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)?

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

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

6b

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

X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

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

(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
HOWARD J. RUDGE	DIRECTOR			
C/O NTB; 26714 S. ALMA SCHOOL ROAD				
SUN LAKES, AZ 85248	1.00	0.	0.	0.
LOIS I. RUDGE	DIRECTOR			
C/O NTB; 26714 S. ALMA SCHOOL ROAD				
SUN LAKES, AZ 85248	1.00	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

0

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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	618,142.
b	Average of monthly cash balances	1b	56,469.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	674,611.
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	674,611.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	10,119.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	664,492.
6	Minimum investment return. Enter 5% of line 5	6	33,225.

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	33,225.
2a	Tax on investment income for 2008 from Part VI, line 5	2a	152.
b	Income tax for 2008. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	152.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	33,073.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	33,073.
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	33,073.

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	50,409.
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	50,409.
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	152.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	50,257.

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 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				33,073.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			31,455.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2008:				
a From 2003				
b From 2004				
c From 2005				
d From 2006				
e From 2007				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2008 from Part XII, line 4: ► \$ 50,409.				
a Applied to 2007, but not more than line 2a			31,455.	
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 2008 distributable amount				18,954.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2008 (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 2007. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				14,119.
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 2003 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008				

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 2008, 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)

	Tax year	Prior 3 years			(e) Total
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	
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)(ii)				
	(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).)

HOWARD J. RUDGE

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:

b

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

c

Any submission deadlines:

d

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

Part XV **Supplementary Information** (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i>				
BUCKNELL UNIVERSITY, 701 MOORE AVENUE, LEWISBURG, PA 17837	NONE	501(C)(3)	GENERAL OPERATING	20,000.
SNOWMASS CHAPPEL, 5307 OWL CREEK ROAD, SNOWMASS VILLAGE, CO 81615	NONE	501(C)(3)	GENERAL OPERATING	20,000.
JOHN HOPKINS UNIVERSITY, 201 N. CHARLES STREET, #2500, BALTIMORE, MD 21201	NONE	501(C)(3)	GENERAL OPERATING	5,000.
Total				▶ 3a 45,000.
b <i>Approved for future payment</i>				
NONE				
Total				▶ 3b 0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
		(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments						
4 Dividends and interest from securities				14	19,641.	
5 Net rental income or (loss) from real estate:						
a Debt-financed property						
b Not debt-financed property						
6 Net rental income or (loss) from personal property						
7 Other investment income				14	1,104.	
8 Gain or (loss) from sales of assets other than inventory				18	<72,765.>	
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)			0.		<52,020.>	0.
13 Total. Add line 12, columns (b), (d), and (e)						<52,020.>

(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

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 100 SH PEPSICO INC		P	03/16/09	04/15/09
b 150 SH CATERPILLAR INC		P	03/16/09	06/22/09
c 1265.25 SH MFB NORTHERN HI YIELD FXD INC FD		P	04/15/09	06/22/09
d NORTHERN TRUST (SEE ATTACHED STATEMENT)		P	VARIOUS	VARIOUS
e 591 SH SOUTHERN COPPER CORP		P	02/13/08	10/07/08
f CAPITAL GAINS DIVIDENDS				
g				
h				
i				
j				
k				
l				
m				
n				
o				

(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 5,196.		4,912.	284.
b 4,882.		5,272.	<390.>
c 8,009.		7,604.	405.
d 278,301.		343,100.	<64,799.>
e 8,350.		18,433.	<10,083.>
f 1,818.			1,818.
g			
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			284.
b			<390.>
c			405.
d			<64,799.>
e			<10,083.>
f			1,818.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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	<72,765.>
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

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

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
100 SH PEPSICO INC	PURCHASED	03/16/09	04/15/09

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
5,196.	4,912.	0.	0.	284.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
150 SH CATERPILLAR INC	PURCHASED	03/16/09	06/22/09

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
4,882.	5,272.	0.	0.	<390.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
1265.25 SH MFB NORTHERN HI YIELD FXD INC FD	PURCHASED	04/15/09	06/22/09

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
8,009.	7,604.	0.	0.	405.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
NORTHERN TRUST (SEE ATTACHED STATEMENT)				PURCHASED	VARIOUS	VARIOUS
	278,301.	343,100.	0.	0.	<64,799.>	

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
591 SH SOUTHERN COPPER CORP				PURCHASED	02/13/08	10/07/08
	8,350.	18,433.	0.	0.	<10,083.>	

CAPITAL GAINS DIVIDENDS FROM PART IV

1,818.

TOTAL TO FORM 990-PF, PART I, LINE 6A

<72,765.>

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	2
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
NORTHERN TRUST	21,459.	1,818.	19,641.
TOTAL TO FM 990-PF, PART I, LN 4	21,459.	1,818.	19,641.

FORM 990-PF	OTHER INCOME	STATEMENT	3
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INCOME	1,104.	1,104.	
TOTAL TO FORM 990-PF, PART I, LINE 11	1,104.	1,104.	

FORM 990-PF	ACCOUNTING FEES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREP	4,900.	2,450.		2,450.
TO FORM 990-PF, PG 1, LN 16B	4,900.	2,450.		2,450.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TRUSTEE FEES	5,807.	2,903.		2,904.
DELAWARE ENTITY SERVICES	109.	54.		55.
TO FORM 990-PF, PG 1, LN 16C	5,916.	2,957.		2,959.

FORM 990-PF	TAXES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	90.	90.		0.
STATE OF DELAWARE FRANCHISE FEE	25.	25.		0.
ESTIMATED EXCISE TAX FOR 2008	183.	0.		0.
TO FORM 990-PF, PG 1, LN 18	298.	115.		0.

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	7
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DESCRIPTION	AMOUNT
ADJUST MEDCO HEALTH SOLUTIONS AND SOUTHERN COPPER FROM FMV TO COST BASIS	4,171.
TOTAL TO FORM 990-PF, PART III, LINE 3	4,171.

FORM 990-PF	CORPORATE STOCK	STATEMENT	8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCKS HELD AT NORTHERN TRUST	373,239.	395,007.
TOTAL TO FORM 990-PF, PART II, LINE 10B	373,239.	395,007.

FORM 990-PF	CORPORATE BONDS	STATEMENT	9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
BONDS & BOND FUNDS HELD AT NORTHERN TRUST	219,238.	229,854.
TOTAL TO FORM 990-PF, PART II, LINE 10C	219,238.	229,854.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	10
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
REAL ESTATE HELD AT NORTHERN TRUST	COST	12,000.	16,028.
COMMODITIES HELD AT NORTHERN TRUST	COST	8,000.	8,459.
TOTAL TO FORM 990-PF, PART II, LINE 13		20,000.	24,487.

RUDGE FOUNDATION 23-98687
Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
15% RATE CAPITAL GAINS (LOSSES)					
49. CHEVRONTXACO CORP COM	02/05/2007	09/10/2008	3,915.08	3,622.13	292.95
90. EXXON MOBIL CORP COM	10/15/2006	09/10/2008	6,627.56	6,246.00	381.56
63. HEWLETT PACKARD CO COM	04/06/2005	09/10/2008	2,921.92	1,376.74	1,545.18
80. INTL BUSINESS MACHINES	02/12/2007	09/10/2008	9,343.15	7,897.88	1,445.27
200. KLA-TENCOR CORP	07/06/2007	10/07/2008	5,308.77	11,161.12	-5,852.35
60. LOCKHEED MARTIN CORP	12/28/2006	10/07/2008	6,134.97	4,070.40	2,064.57
375. TRAVELERS COS INC COM STK	01/22/2007	10/07/2008	14,274.18	17,694.00	-3,419.82
100. EXXON MOBIL CORP COM	09/21/2006	12/04/2008	7,736.96	6,572.33	1,164.63
215. KROGER CO COM	12/14/2006	12/04/2008	5,800.67	5,168.02	632.65
195. MCDONALDS CORP	11/12/2007	12/04/2008	11,452.29	9,725.40	1,726.89
300. ENCANA CORP COM NPV	10/15/2007	03/16/2009	11,537.94	19,109.00	-7,571.06
239. FOREST LABS INC	01/09/2007	03/16/2009	5,026.14	11,833.00	-6,806.86
160. GENERAL MILLS INC	01/28/2005	03/16/2009	8,575.95	8,502.00	73.95
110. HARTFORD FINL SVCS GROUP	06/17/2004	03/16/2009	799.70	7,334.00	-6,534.30
400. KROGER CO COM	12/13/2006	03/16/2009	8,543.95	9,566.98	-1,023.03
205. LAUDER ESTEE COS INC CL A	06/13/2007	03/16/2009	4,616.57	9,496.00	-4,879.43
291. MCKESSON HBOC INC	09/14/2007	03/16/2009	10,548.69	15,391.00	-4,842.31
498.58 MFB NORTHN SHORT					
INTERMEDIATE US GOVT	03/13/2008	03/16/2009	5,250.00	5,160.30	89.70
133. PRUDENTIAL FINL INC	12/16/2004	03/16/2009	2,572.21	7,097.00	-4,524.79
1088.42 MFB NORTHERN FUNDS BD					
INDEX FD	03/13/2008	03/25/2009	10,993.00	11,058.35	-65.35
788.17 MFB NORTHN SHORT					
INTERMEDIATE US GOVT	03/13/2008	03/25/2009	8,331.00	8,157.56	173.44
407. CISCO SYS INC	09/14/2007	04/15/2009	7,201.23	11,363.00	-4,161.77
200. HEWLETT PACKARD CO COM	09/14/2007	04/15/2009	6,879.82	4,635.07	2,244.75
2463.75 MFB NORTHERN FUNDS BD					
INDEX FD	03/13/2008	04/15/2009	25,081.00	25,031.70	49.30
270. ACCENTURE LTD BERMUDA CL A	02/07/2006	04/15/2009	7,408.61	8,489.14	-1,080.53
2307.8 MFB NORTHN SHORT					
INTERMEDIATE US GOVT	03/13/2008	06/10/2009	23,978.00	23,885.72	92.28
Totals					

USA
856970 1 000

RUDGE FOUNDATION 23-98687
Schedule D Detail of Long-term Capital Gains and Losses

[illegible]