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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

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

OMB No 1545-0052

2008

For calendar year 2008, or tax year beginning 11/01/08 **, and ending** 10/31/09

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

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

Name of foundation
MICHAEL W. HALEY FOUNDATION, INC.
C/O MIKE WINNIG

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
100 NORTH GREEN STREET, SUITE 600

City or town, state, and ZIP code
GREENSBORO NC 27401

A Employer identification number
56-1720197

B Telephone number (see page 10 of the instructions)
336-378-1431

C If exemption application is pending, check here ▶ ☐

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

H Check type of organization ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 8,648,881

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify)
(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) (see pg. 11 of the instructions))

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☒ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	60,877	60,877		
	4	Dividends and interest from securities	208,329	207,721		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	-663,572			
	b	Gross sales price for all assets on line 6a 1,565,683				
	7	Capital gain net income (from Part IV, line 2)		0		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns & allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	-394,366	268,598	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule) See Stmt 2	13,491			
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)				
	17	Interest	294	294		
	18	Taxes (attach schedule) (see page 14 of the instructions) Stmt 3	176,313			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) Stmt 4	190			
	24	**Total operating and administrative expenses.** Add lines 13 through 23	190,288	294		0
	25	Contributions, gifts, grants paid	384,100			384,100
	26	**Total expenses and disbursements.** Add lines 24 and 25	574,388	294	0	384,100
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses & disbursements**	-968,754			
	b	**Net investment income** (if negative, enter -0-)		268,304		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

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Part II Balance Sheets — Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets			
1 Cash—non-interest-bearing		8,549	8,549
2 Savings and temporary cash investments		72,679	72,679
3 Accounts receivable ▶			
Less allowance for doubtful accounts ▶			
4 Pledges receivable ▶			
Less allowance for doubtful accounts ▶			
5 Grants receivable			
6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
7 Other notes and loans receivable (att. schedule) ▶			
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 (attach schedule)			
b Investments—corporate stock (attach schedule) See Stmt 5	6,761,706	5,026,731	6,237,750
c Investments—corporate bonds (attach schedule) See Stmt 6		672,306	774,540
11 Investments—land, buildings, and equipment basis ▶ 1,542,676			
Less accumulated depreciation (attach sch) ▶ Stmt 7	1,542,676	1,542,676	1,542,676
12 Investments—mortgage loans			
13 Investments—other (attach schedule)			
14 Land, buildings, and equipment. basis ▶			
Less accumulated depreciation (attach sch) ▶			
15 Other assets (describe ▶ See Statement 8)		12,687	12,687
16 **Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	8,304,382	7,335,628	8,648,881
Liabilities			
17 Accounts payable and accrued expenses			
18 Grants payable			
19 Deferred revenue			
20 Loans from officers, directors, trustees, and other disqualified persons			
21 Mortgages and other notes payable (attach schedule)			
22 Other liabilities (describe ▶)			
23 **Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances			
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			
28 Paid-in or capital surplus, or land, bldg , and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds	8,304,382	7,335,628	
30 **Total net assets or fund balances** (see page 17 of the instructions)	8,304,382	7,335,628	
31 **Total liabilities and net assets/fund balances** (see page 17 of the instructions)	8,304,382	7,335,628	

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	8,304,382
2 Enter amount from Part I, line 27a	2	-968,754
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	7,335,628
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	7,335,628

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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	N/A			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

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

	(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				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } 2

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions)
If (loss), enter -0- in Part I, line 8 } 3

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2007	384,033	9,565,764	0.040147
2006	485,703	9,195,948	0.052817
2005	637,588	10,531,441	0.060541
2004	599,181	11,425,865	0.052441
2003	627,856	10,355,069	0.060633

2	**Total** of line 1, column (d)	2	0.266579
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.053316
4	Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	7,287,240
5	Multiply line 4 by line 3	5	388,526
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2,683
7	Add lines 5 and 6	7	391,209
8	Enter qualifying distributions from Part XII, line 4	8	384,100

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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	5,366
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	5,366
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	5,366
6	Credits/Payments				
a	2008 estimated tax payments and 2007 overpayment credited to 2008	6a	12,843		
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	12,843
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	7,477
11	Enter the amount of line 10 to be **Credited to 2009 estimated tax** ▶ 7,477 Refunded ▶			11	

Part VII-A **Statements Regarding Activities**

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	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			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
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	2		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	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		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?	6	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	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ NC			
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	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	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?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ MICHAEL W. HALEY Telephone no ▶ 561-626-1470
12121 WEST END ROAD
Located at ▶ NORTH PALM BEACH, FL ZIP+4 ▶ 33408

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

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

				Yes	No
	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)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?	N/A	1c		
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 ▶ 20 , 20 , 20 , 20				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions)	N/A	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 ▶ 20 , 20 , 20 , 20				
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	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 2008?		4b		X

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

			Yes	No
5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No			
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? N/A	5b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53 4945-5(d)			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	6b		X
	If you answered "Yes" to 6b, also file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? N/A	7b		

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address		(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
MICHAEL W. HALEY 12121 W. END ROAD	N. PALM BEACH FL 33408	DIR/PRES/TRE 2	0	0	0
LYNN C. HALEY 902 COUNTRY CLUB ROAD	GREENSBORO NC 27408	DIRECTOR 1	0	0	0
ELIZABETH L. STANLEY 2320 LAFAYETTE AVEN	GREENSBORO NC 27408	DIRECTOR 1	0	0	0
LEIGH H. JONES 113 ELMWOOD TERRACE	GREENSBORO NC 27408	DIRECTOR 1	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

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

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

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

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

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

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 THE FOUNDATION ONLY MAKES CONTRIBUTIONS TO PRESELECTED CHARITABLE ORGANIZATIONS.	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3 ▶	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes			
a	Average monthly fair market value of securities		1a	5,811,086
b	Average of monthly cash balances		1b	31,765
c	Fair market value of all other assets (see page 24 of the instructions)		1c	1,555,362
d	**Total** (add lines 1a, b, and c)		1d	7,398,213
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	7,398,213
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)		4	110,973
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	7,287,240
6	**Minimum investment return.** Enter 5% of line 5		6	364,362

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part)

1	Minimum investment return from Part X, line 6		1	364,362
2a	Tax on investment income for 2008 from Part VI, line 5	2a 5,366		
b	Income tax for 2008 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	5,366
3	Distributable amount before adjustments Subtract line 2c from line 1		3	358,996
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	358,996
6	Deduction from distributable amount (see page 25 of the instructions)		6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	358,996

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	384,100
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	384,100
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	384,100

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

Part XIII Undistributed Income (see page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7					358,996
2 Undistributed income, if any, as of the end of 2007					
a Enter amount for 2007 only					
b Total for prior years 20____ , 20____ , 20____					
3 Excess distributions carryover, if any, to 2008					
a From 2003	106,374				
b From 2004	35,990				
c From 2005	128,668				
d From 2006	33,989				
e From 2007	26,326				
f **Total** of lines 3a through e		331,347			
4 Qualifying distributions for 2008 from Part XII, line 4 ▶ $ 384,100					
a Applied to 2007, but not more than line 2a					
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)					
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)					
d Applied to 2008 distributable amount					358,996
e Remaining amount distributed out of corpus		25,104			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a))					
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		356,451			
b Prior years' undistributed income Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed					
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions					
e Undistributed income for 2007 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions					
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2009					0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)					
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see page 27 of the instructions)		106,374			
9 **Excess distributions carryover to 2009.** Subtract lines 7 and 8 from line 6a		250,077			
10 Analysis of line 9					
a Excess from 2004	35,990				
b Excess from 2005	128,668				
c Excess from 2006	33,989				
d Excess from 2007	26,326				
e Excess from 2008	25,104				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a 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			
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	(e) Total
2a 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 page 27 of the instructions.)

1 **Information Regarding Foundation Managers:**

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

N/A

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

N/A

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

Check here ▶ ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
See Statement 9				384,100
Total			▶ 3a	384,100
b Approved for future payment				
N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See page 28 of the instructions)
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			14	60,877	
4 Dividends and interest from securities			14	208,329	
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					
8 Gain or (loss) from sales of assets other than inventory					-663,572
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		269,206	-663,572

13 **Total.** Add line 12, columns (b), (d), and (e) 13 -394,366

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)
N/A	

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

Signature of officer or trustee — Date: 9/2/2010 — Title: President

Paid Preparer's Use Only

Preparer's signature	O. Douglas Covington
Date	9/02/10
Check if self-employed	☐
Preparer's identifying number (see Signature on page 30 of the instructions)	213-56-5639
Firm's name (or yours if self-employed), address, and ZIP code	O. Douglas Covington, CPA, PA 1031 Summit Ave Ste 2E-1 Greensboro, NC 27405-7010
EIN	56-1425237
Phone no	336-272-5618

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description			How Received				
Whom Sold	Date Acquired	Date Sold	Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
9000 SHARES MICROSOFT			Purchase				
	9/14/09	11/18/08	$ 192,050	$ 255,219	$	$	$ -63,169
5000 SHARES 3M COMPANY			Purchase				
	7/08/08	11/21/08	301,995	349,686			-47,691
30000 SHARES LEHMAN BROTHERS			Purchase				
	2/13/08	12/10/08	1	724,350			-724,349
999 CREE CALLS EXPIRED			Purchase				
	1/20/09	1/20/09	353,934				353,934
32000 SHARES CITIGROUP CAP XIX			Purchase				
	8/09/07	6/10/09	672,855	800,000			-127,145
4000 ROYAL BANK OF SCOTLAND			Purchase				
	5/19/06	10/06/09	44,848	100,000			-55,152
			Purchase				
Total			$ 1,565,683	$ 2,229,255	$ 0	$ 0	$ -663,572

Statement 2 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$ 13,491	$	$	$
Total	$ 13,491	$ 0	$ 0	$ 0

Federal Statements

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FEDERAL INCOME TAXES	$ 117,313	$	$	$
TAX ASSESSMENT	59,000			
Total	$ 176,313	$ 0	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
OFFICE EXPENSES	190			
Total	$ 190	$ 0	$ 0	$ 0

Federal Statements

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
40,000 SHARES BANK OF AMERICA	$ 1,368,778	$ 1,368,778	Cost	$ 583,200
99,900 SHARES CREE INC	155,673	155,673	Cost	4,205,790
2,397.045 SHARES LIBERTY ALLSTARS	23,102	23,102	Cost	9,708
9,000 SHARES MICROSOFT CORP	254,990	178,513	Cost	249,570
MARGIN BALANCE	-87,298		Cost	
10,000 BARCLAYS BANK 6.625% PFD	250,000	250,000	Cost	202,000
4,000 ROYAL BK OF SCOTLAND 6.75% PFD	100,000		Cost	
CITIGROUP CAPITAL XIX 7.25% PFD	800,000		Cost	
10,000 SH AMERICAN INTL 6.45% PFD			Cost	
10,000 SH AMERICAN INTL GROUP INC	412,141	412,141	Cost	16,810
698 SH DELPHI CORP			Cost	28
1991 SHARES WELLS FARGO	284,155	284,155	Cost	54,792
5,000 SHARES 3M COMPANY	349,686		Cost	
10,000 SHARES BARCLAYS	250,000	250,000	Cost	235,500
20,000 SHARES CREDIT SUISSE	500,000	500,000	Cost	495,000
20,000 FREDDIE MAC	501,299	501,299	Cost	22,000
40,000 HSBC HOLDINGS	1,000,000	1,000,000	Cost	1,000,000
30,000 LEHMAN BROS HOLDINGS	724,350		Cost	
10,000 WELLS FARGO 8% NON CUMULATIVE	247,574	247,574	Cost	244,500
999 CREE CALLS	-353,934	-324,359	Cost	-1,248,750
90 MCDONALDS CALLS	-18,810	-20,145	Cost	-44,550
BB&T CAPITAL TRUST VI		200,000	Cost	212,152
Total	$ 6,761,706	$ 5,026,731		$ 6,237,750

Federal Statements

Statement 6 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
39000 CITIGROUP CAPITAL VI 7.125%	$	$ 672,306	Cost	$ 774,540
Total	$ 0	$ 672,306		$ 774,540

Federal Statements

Statement 7 - Form 990-PF, Part II, Line 11 - Land, Building, and Equipment Investments

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
LAND SUMMIT AVENUE	$ 148,322	$ 148,322	$	$ 148,322
LAND GREENSBORO COLLEGE	1,394,354	1,394,354		1,394,354
Total	$ 1,542,676	$ 1,542,676	$ 0	$ 1,542,676

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

Description	Beginning of Year	End of Year	Fair Market Value
FEDERAL TAX ESTIMATES	$	$ 12,687	$ 12,687
Total	$ 0	$ 12,687	$ 12,687

Federal Statements

Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Address / Relationship	Status	Purpose	Amount
AVERY COUNTY RESCUE SQUAD ELK PARK NC 28622	205 ICE PLANT STREET NONE	PUBLIC	UNRESTRICTED	2,000
CAMP WEAVER YMCA GREENSBORO NC 27406	4924 TAPAWINGO TRAIL NONE	PUBLIC	UNRESTRICTED	10,000
CANTERBURY SCHOOL GREENSBORO NC 27455	5400 OLD LAKE JEANETTE RO NONE	PUBLIC	UNRESTRICTED	1,000
CAROLINAS HEALTH CARE FOU CHARLOTTE NC 28204	1221 E. MOREHEAD ST NONE	PUBLIC	UNRESTRICTED	1,000
CHAPEL HILL RONALD MCDONA CHAPEL HILL NC 27517	101 OLD MASON FARM ROAD NONE	PUBLIC	UNRESTRICTED	16,000
COVE CREEK GARDENS GREENSBORO NC 27405	4505 SUMMIT AVE NONE	PUBLIC	UNRESTRICTED	1,000
EASTERN MUSIC FESTIVAL GREENSBORO NC 27420	200 NORTH DAVIE STREET NONE	PUBLIC	UNRESTRICTED	1,000
EDUCATIONAL FOUNDATION OF CHAPEL HILL NC 27515	P.O. BOX 2446 NONE	PUBLIC	UNRESTRICTED	2,000
GREEN HILL CENTER FOR NC GREENSBORO NC 27401	200 N. DAVIE STREET NONE	PUBLIC	UNRESTRICTED	1,000
GREENSBORO CHILDRENS MUSE GREENSBORO NC 27401	220 N. CHURCH STREET NONE	PUBLIC	UNRESTRICTED	9,000
GREENSBORO COLLEGE GREENSBORO NC 27401	815 W. MARKET STREET NONE	PUBLIC	UNRESTRICTED	251,000
GREENSBORO URBAN MINISTRY GREENSBORO NC 27406	305 WEST LEE STREET NONE	PUBLIC	UNRESTRICTED	5,000
JOSEPH M BRYAN FOUNDATION GREENSBORO NC 27408	324 WEST WENDOVER AVE #20 NONE	PUBLIC	UNRESTRICTED	11,300
MARY'S HOUSE GREENSBORO NC 27401	520 GUILFORD AVENUE NONE	PUBLIC	UNRESTRICTED	5,000
MAYO CLINIC JACKSONVILLE FL 32224	4500 SAN PABLO ROAD NONE	PUBLIC	UNRESTRICTED	1,000
MENTAL HEALTH GREENSBORO GREENSBORO NC 27401	3330 S. GREENE STREET NONE	PUBLIC	UNRESTRICTED	5,000
PEIDMONT TRIAD CHARITABLE GREENSBORO NC 27401	401 NORTH GREEN STREET NONE	PUBLIC	UNRESTRICTED	40,000
SALVATION ARMY GREENSBORO NC 27406	1311 SOUTH EUGENE STREET NONE	PUBLIC	UNRESTRICTED	5,000

Federal Statements

Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
THE NICKLAUS CHILD HEALTH NORTH PALM BEACH FL 33408	GOLDEN BEAR PLAZE, EAST T NONE	PUBLIC	UNRESTRICED	2,500
PALM BEACH ATLANTIC UNIV WEST PALM BEACH FL 33401	901 S. FLAGLER DR. NONE	PUBLIC	UNRESTRICTED	500
TRIAD STAGE GREENSBORO NC 27401	232 SOUTH ELM STREET NONE	PUBLIC	UNRESTRICTED	7,300
UNC LINEBERGER COMP. CANC CHAPEL HILL NC 27514	101 MANNING DRIVE NONE	PUBLIC	UNRESTRICTED	5,000
UNCAA CHAPEL HILL NC 27514	P.O. BOX 2126 NONE	PUBLIC	UNRESTRICTED	1,500
Total				384,100

MICHAEL W. HALEY FOUNDATION, INC. 56-1720197 Form 990-PF Estimates
C/O MIKE WINNIG

Form **990-W** (WORKSHEET)
Department of the Treasury Internal Revenue Service

Estimated Tax on Unrelated Business Taxable Income for Tax-Exempt Organizations

(and on Investment Income for Private Foundations)
(Keep for your records. Do not send to the Internal Revenue Service.)

OMB No 1545-0976
2009

1	Unrelated business taxable income expected in the tax year	1	
2	**Tax on the amount on line 1.** See instr for tax computation	2	
3	Alternative minimum tax (see instructions)	3	
4	Total Add lines 2 and 3	4	
5	Estimated tax credits (see instructions)	5	
6	Balance Subtract line 5 from line 4	6	
7	Other taxes (see instructions)	7	
8	Total Add lines 6 and 7	8	
9	Credit for federal tax paid on fuels (see instructions)	9	
10a	Subtract line 9 from line 8 **Note.** If less than $500, the organization is not required to make estimated tax payments Private foundations, see instructions — 10a: 5,366		
b	Enter the tax shown on the 2008 return (see instructions) **Caution.** If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 10a on line 10c — 10b: 5,366		
c	**2009 Estimated Tax.** Enter the smaller of line 10a or line 10b If the organization is required to skip line 10b, enter the amount from line 10a on line 10c	10c	5,366

			(a)	(b)	(c)	(d)
11	**Installment due dates** (see instructions)	11	3/15/10	4/15/10	7/15/10	10/15/10
12	**Required installments.** Enter 25% of line 10c in columns **(a)** through **(d)** unless the organization uses the annualized income installment method, the adjusted seasonal installment method, or is a "large organization" (see instructions)	12	3,211	3,211	3,211	3,212
13	**2008 Overpayment** (see instructions)	13	1,869	1,869	1,869	1,870
14	**Payment due.** (Subtract line 13 from line 12)	14				

For Paperwork Reduction Act Notice, see the instructions on page 8.

DAA

Federal Statements

Taxable Interest on Investments

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code
BANK OF AMERICA	$ 10		14	
RBC	60,867		14	
Total	$ 60,877			

Tax-Exempt Dividends from Securities

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code
rbc	$ 608		14	
Total	$ 608			

Taxable Dividends from Securities

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code
RBC	$ 207,721		14	
Total	$ 207,721			