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

OMB No 1545-0052

2009

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 2009, or tax year beginning , 2009, and ending

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

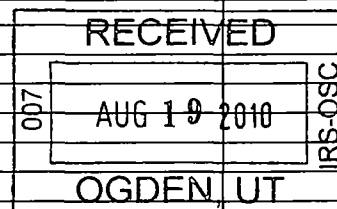
Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation SAUNDERS FOUNDATION		A Employer identification number 16-1289330
	Number and street (or P O box number if mail is not delivered to street address) Room/suite 760 BROOKS AVE.		B Telephone number (see the instructions) (716) 783-2601
	City or town State ZIP code ROCHESTER NY 14619		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, column (c), line 16) \$ 1,033,087.		J Accounting method. <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	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 II 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 the instructions).)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE				
1 Contributions, gifts, grants, etc., received (att sch)	30,000.			
2 <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments	3,851.	3,851.		
4 Dividends and interest from securities	25,188.	25,188.		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain/(loss) from sale of assets not on line 10	371,800.			
b Gross sales price for all assets on line 6a	357,059.			
7 Capital gain net income (from Part IV, line 2)		371,800.		
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/(loss) (att sch)				
11 Other income (attach schedule) See Line 11 Stmt	6,823.	6,823.		
12 Total. Add lines 1 through 11	437,662.	407,662.		
ADMINISTRATIVE AND OPERATING EXPENSES				
13 Compensation of officers, directors, trustees, etc				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach sch)				
c Other prof fees (attach sch)				
17 Interest	0.			
18 Taxes (attach schedule) See Line 18 Stmt	4,450.	4,450.		
19 Depreciation (attach sch) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) See Line 23 Stmt	40.	40.		
24 Total operating and administrative expenses. Add lines 13 through 23	4,490.	4,490.		
25 Contributions, gifts, grants paid	554,999.			554,999.
26 Total expenses and disbursements. Add lines 24 and 25	559,489.	4,490.		554,999.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-121,827.			
b Net investment income (if negative, enter -0-)		403,172.		
c Adjusted net income (if negative, enter -0-)				

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Part I Balance Sheets

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing	1,531.	4,722.	4,722.
	2 Savings and temporary cash investments	97,758.	13,617.	13,617.
	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 the instructions)			
	7 Other notes and loans receivable (attach sch)			
	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)	9,070.	-31,807.	1,001,131.
	c Investments – corporate bonds (attach schedule)			
	11 Investments – land, buildings, and equipment basis			
Less: accumulated depreciation (attach schedule)				
12 Investments – mortgage loans				
13 Investments – other (attach schedule)				
14 Land, buildings, and equipment: basis				
Less: accumulated depreciation (attach schedule)				
15 Other assets (describe)				
16 Total assets (to be completed by all filers – see instructions. Also, see page 1, item I)	108,359.	-13,468.	1,019,470.	
LIABILITIES	17 Accounts payable and accrued expenses	43.	43.	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe)			
	23 Total liabilities (add lines 17 through 22)	43.	43.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>			
	24 Unrestricted	108,316.	-13,511.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see the instructions)	108,316.	-13,511.	
	31 Total liabilities and net assets/fund balances (see the instructions)	108,359.	-13,468.	

Part II 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	108,316.
2 Enter amount from Part I, line 27a	2	-121,827.
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	-13,511.
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	-13,511.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a Various Stocks (See attached schedule)			various	various
b Kinder Morgan k-1		D	various	various
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 357,059.		-14,680.	371,739.
b 61.		0.	61.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a 0.	0.	0.	371,739.
b 0.	0.	0.	61.
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	371,800.
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 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 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 (column (b) divided by column (c))
2008	177,937.	1,363,337.	0.130516
2007	491,905.	1,441,282.	0.341297
2006	326,000.	1,829,807.	0.178161
2005	808,587.	2,068,828.	0.390843
2004	795,113.	2,300,333.	0.345651

2 Total of line 1, column (d)	2	1.386468
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	0.277294
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	1,191,288.
5 Multiply line 4 by line 3	5	330,337.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,032.
7 Add lines 5 and 6	7	334,369.
8 Enter qualifying distributions from Part XII, line 4	8	554,999.

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 VII Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 – see the instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter. _____ (attach copy of letter if necessary - see instr.)		1	4,032.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	4,032.
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	4,032.
6 Credits/Payments:			
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a	1,644.	
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	4,800.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	6,444.	
8 Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	2,412.	
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax <input checked="" type="checkbox"/> 2,412. Refunded <input type="checkbox"/>	11		

Part VIII Statements Regarding Activities

	Yes	No
1 a 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 the instructions for definition)? <i>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</i>		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 <input checked="" type="checkbox"/> \$ _____ (2) On foundation managers <input checked="" type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input checked="" type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a 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?		X
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		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? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) NY - New York		
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? <i>If 'No,' attach explanation</i>	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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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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>N/A</u>	13	X	
14	The books are in care of <u>Joseph J. Kuby Jr.</u> Telephone no <u>(585) 783-2601</u> Located at <u>760 Brooks Ave., Rochester, NY</u> ZIP + 4 <u>14619</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			

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
1 a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" 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 the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1 b	
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 2009?	1 c	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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If 'Yes,' list the years <u>20__ , 20__ , 20__ , 20__</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see the instructions)	2 b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u>20__ , 20__ , 20__ , 20__</u>		
3 a 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 2009 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 2009)	3 b	X
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	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 2009?	4 b	X

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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)? (see 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 instructions)?

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?☐ 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

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

X

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?

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 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
Carole Saunders 760 Brooks Ave., Rochester, NY 14619	President 0.25	0.	0.	0.
Joseph J. Kuby Jr. 838 Bradington Ci NY 14580	Treasurer 0.25	0.	0.	0.
Robert Jr. Sant 39 Wren Field NY 14619	Director 0.25	0.	0.	0.
See Information about Officers, Directors, Trustees, Etc.		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see 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				
0				
0				
0				
0				

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

None

Part VII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services – (see 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		None

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 None	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 None	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	

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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 1,150,615.
b	Average of monthly cash balances	1b 58,814.
c	Fair market value of all other assets (see instructions)	1c 0.
d	Total (add lines 1a, b, and c)	1d 1,209,429.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e
2	Acquisition indebtedness applicable to line 1 assets	2
3	Subtract line 2 from line 1d	3 1,209,429.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4 18,141.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5 1,191,288.
6	Minimum investment return. Enter 5% of line 5	6 59,564.

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 59,564.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 4,032.
b	Income tax for 2009 (This does not include the tax from Part VI)	2b
c	Add lines 2a and 2b	2c 4,032.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 55,532.
4	Recoveries of amounts treated as qualifying distributions	4
5	Add lines 3 and 4	5 55,532.
6	Deduction from distributable amount (see instructions)	6
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7 55,532.

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 554,999.
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	4 554,999.
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 instructions)	5 4,032.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6 550,967.

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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				55,532.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years: 20__, 20__, 20__				
3 Excess distributions carryover, if any, to 2009				
a From 2004	693,019.			
b From 2005	716,283.			
c From 2006	244,554.			
d From 2007	420,694.			
e From 2008	111,262.			
f Total of lines 3a through e	2,185,812.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 554,999.				
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required — see instructions)				
c Treated as distributions out of corpus (Election required — see instructions)				
d Applied to 2009 distributable amount				55,532.
e Remaining amount distributed out of corpus	499,467.			
5 Excess distributions carryover applied to 2009 (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	2,685,279.			
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				
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount — see instructions			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	693,019.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	1,992,260.			
10 Analysis of line 9				
a Excess from 2005	716,283.			
b Excess from 2006	244,554.			
c Excess from 2007	420,694.			
d Excess from 2008	111,262.			
e Excess from 2009	499,467.			

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 attached list			Various	
Total				3a
b Approved for future payment				
Total				3b

Part XVIII 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 (see the instructions)
	(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			14	3,851.		
4 Dividends and interest from securities			14	25,188.		
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	6,823.		
8 Gain or (loss) from sales of assets other than inventory	211110		18	371,800.		
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)				407,662.		
13 Total. Add line 12, columns (b), (d), and (e)					13	407,662.

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

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

[illegible]

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

2009

Name of the organization

SAUNDERS FOUNDATION

Employer identification number

16-1289330

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- ☐ 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)/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 their 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)

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2009)

Name of organization

Employer identification number

SAUNDERS FOUNDATION

16-1289330

Part Contributors (see instructions)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	E. Philip Saunders 760 Brooks Ave Rochester NY 14619	\$ 30,000.	Person <input checked="checked" 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.)
			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.)

Form 990-PF, Page 1, Part I, Line 11

Line 11 Stmt

Other income:	Rev/Exp Book	Net Inv Inc	Adj Net Inc
<u>Limited Partnership Income</u>	<u>5,551.</u>	<u>5,551.</u>	
<u>Excise tax refund</u>	<u>1,272.</u>	<u>1,272.</u>	
Total	<u>6,823.</u>	<u>6,823.</u>	

Form 990-PF, Page 1, Part I, Line 18

Line 18 Stmt

Taxes (see the instructions)	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
<u>NYS Taxes</u>	<u>250.</u>	<u>250.</u>		
<u>Excise Tax</u>	<u>4,200.</u>	<u>4,200.</u>		
Total	<u>4,450.</u>	<u>4,450.</u>		

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
<u>Advertising</u>	<u>40.</u>	<u>40.</u>		
<u>Bank fees</u>				
Total	<u>40.</u>	<u>40.</u>		

Form 990-PF, Page 6, Part VIII, Line 1

Information about Officers, Directors, Trustees, Etc.

(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
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> <u>Mary Beiermann</u> <u>9947 Valley Rd</u> <u>Dansville NY 14437</u> Person <input checked="" type="checkbox"/> Business <input type="checkbox"/>	VP <u>0.25</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>

Total

0. 0. 0.

Supporting Statement of:

Form 990-PF,p12/Line 7 Column (d)

Description	Amount
limited Partnership Income	5,551.
Excise tax refund	1,272.
Total	<u>6,823.</u>

Security Description	Shares	Purchase Date	Unit Price	Cost Basis	Sale Date	Shares	Unit Price	Net Sale Proceeds	Gain/ Loss	ST Capital	LT Capital	Ordinary Gain	
Saunders Foundation													
Stock Gains and Losses													
2009													
Alliance Resource Part LP.	2000	8/21/2001		26400.00	7/2/2009	2000	32.51	65016.67	(38,616.67)				
Allied Capital Corp	2000	12/30/2003		~19,160.00	6/29/2009	2000	3.26	6514.67	(12,645.33)				
Buckeye Part LP	1500	12/30/2003		(14,748.00)	8/6/2009	1500	44.24	66,350.64	81,108.64				
Kinder Morgan LP	2200	12/30/2003		(34,276.00)	8/6/2009	2200	52.21	114,881.15	~149,137.15				
Kineok (former Northern Border)	1000	12/30/2003		(18,926.00)	8/6/2009	1000	49.24	49,237.38	~68,163.38				
Sunoco Logistics Part LP	1000	12/30/2003		7,710.00	8/6/2009	1000	55.07	55,068.43	~47,358.43				

SAUNDERS FOUNDATION
CONTRIBUTIONS

2009

HECK =====	DATE =====	PAYEE =====	QUALIFIED CONTRIBUTIONS
804	01/26/09	Holy Family Parish	400.00
805	01/29/09	Holy Family Parish	400.00
806	01/29/09	Camden High School -shop with a cop	500.00
807	02/01/09	Young Entrepreneurs-Benefactor Suppor	50,000.00
808	03/04/09	Lake Placid Inst. Round Table	1,000.00
809	03/04/09	Holy Family Catholic Church	400.00
810	05/12/09	Alzhiemers Assoc.	300.00
811	05/12/09	The Friendly Home	300.00
812	05/12/09	Friends of Scouting	1,000.00
813	05/12/09	JDRF	500.00
816	05/12/09	american Red Cross	500.00
817	05/12/09	NHMA	1,000.00
818	05/12/09	First Preb. Church of O: 0.00	500.00
819	05/12/09	United Way of Greater Roch	3,000.00
820	05/12/09	United Way Livingston Cty	2,000.00
821	05/12/09	Roswell Park Alliance	5,000.00
822	05/12/09	Crisis Nursery of Greate rRochester	3,000.00
823	05/12/09	Livingston Rotary	5,000.00
824	05/12/09	Holy Family Parish	800.00
825	06/09/09	Holy Family Parish	400.00
826	06/09/09	Adirondack Park institure Club	500.00
827	06/09/09	Our Lady of Mercy High School	7,813.00
829	06/26/09	Paul Smith College	7,500.00
830	06/26/09	New York State Trooper Found	10,000.00
831	06/26/09	Holy Family Parish	400.00
832	06/26/09	Coundation of Monroe Cty Bar	2,000.00
833	07/06/09	U of R. Medical Center	100,000.00
834	07/13/09	The Daily Record	
835	07/13/09	NYS Department of Law	
836	07/29/09	Edna Lince Liv. Co. Center	500.00
837	07/29/09	Adirondack Experience	1,000.00
838	08/14/09	Holy Family Parish 0.00	400.00
839	08/14/09	Paul Smith College	250,000.00
840	08/14/09	Dansville Ambulance	500.00
841	08/14/09	Boys and Girls Club	3,000.00
843	08/14/09	The Education Enterprise of NY Fou	20,000.00
844	08/14/09	NYSEF	300.00
846	09/02/09	Holy Family	400.00
847	11/04/09	Young Ent. Academy	700.00
848	09/10/09	Five Rivers Council	1,000.00
849	10/05/08	Paul Smiths	2,850.00
850	10/07/08	Holy Family Parish	400 00
851	10/03/08	Otetiance Council	500 00
852	11/06/09	Holy Family	400.00
853	10/03/08	Catholic Ministries	1,000.00
854	11/06/09	Adirondack Exp	1,000.00
855	11/16/09	Noyes Mem. Hospital	500.00
856	11/13/09	Lakeville Fireman	200.00
857	11/13/09	lake Placid Institute	1,000.00
858	11/09/09	YMCA of Greater Rochester	1,000.00
859	12/1/2008	American Legion Post 87	200.00
860	11/12/09	Veterens Outreach	300.00
861	11/17/09	Town of North Elba	1,000.00
862	11/12/09	Teresa House	200.00
863	11/23/09	L.P.Center for the Arts	500.00
864	12/22/09	The Lake Placid North Elba	500.00
865	12/23/09	Nazerath	5,000.00
866	12/23/09	First	2,000.00
867	12/24/09	Holy Family	400.00
869	12/31/09	Boys & Girls Club	54,000.00

Total for 2009

554,963 00

alliance Resource Partners h-1

36.00

554 999.00

THE DAILY RECORD

WESTERN NEW YORK'S SOURCE FOR LAW, REAL ESTATE, FINANCE AND GENERAL INTELLIGENCE SINCE 1908

AFFIDAVIT OF PUBLICATION

FOUNDATION NOTICE

THE ANNUAL RETURN OF THE SAUNDERS FOUNDATION for the year ended December 31, 2009 is available for inspection during regular business hours by any citizen who requests it within 180 days hereof at its principal office located at 760 Brooks Avenue, Rochester, New York 14619, Telephone (585) 235-4790 Principal Manager: Carole Saunders.
Dated: May 3, 2010
5-11-11

STATE OF NEW YORK

County of Monroe

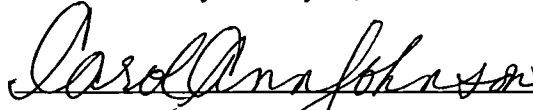
City of Rochester

Kevin Momot, being duly sworn, says that he is the Publisher of The Daily Record, a daily newspaper published in the City Of Rochester, County of Monroe and State of New York, and says that the notice hereto attached is a true and correct copy of the notice which was published in said paper once on:

Tuesday, May 11, 2010


Kevin Momot

Sworn to before me on this day: May 11, 2010



CAROL ANN JOHNSON
Notary Public, State of New York
Registration No. 01JO6084185
Qualified in Monroe County
Commission Expires December 2, 2012

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No 1545-1709

Department of the Treasury
Internal Revenue Service► **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).A corporation required to file Form 990-T and requesting an automatic 6-month extension — check this box and complete Part I only ☐*All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization	Employer identification number
	SAUNDERS FOUNDATION	16-1289330
	Number, street, and room or suite number. If a P.O. box, see instructions.	
	760 BROOKS AVE.	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	ROCHESTER	NY 14619

Check type of return to be filed (file a separate application for each return):

- | | | |
|---|--|------------------------------------|
| <input type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (section 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ► Joseph J. Kuby Jr.

Telephone No. ► (585) 783-2601 FAX No. ► (585) 328-7374

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until Aug 16, 20 10, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ☒ calendar year 20 09 or
- ☐ tax year beginning _____, 20 _____, and ending _____, 20 _____

- 2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$ 6,444.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$ 1,644.
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ 4,800.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.Form **8868** (Rev. 4-2009)