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**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

For calendar year **2009**, or tax year beginning , and ending

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

Use the IRS label. Otherwise, print or type. See Specific Instructions.  
Name of foundation: **Bauer Family Foundation Inc**  
Number and street (or P O box number if mail is not delivered to street address): **c/o Foundation Source, 501 Silverside Road**  
Room/suite: **123**  
City or town, state, and ZIP code: **Wilmington DE 19809-1377**

A Employer identification number: **20-3448306**  
B Telephone number (see page 10 of the instructions): **(800) 839-1754**

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): **\$ 4,654,077**  
J Accounting method:  Cash,  Accrual,  Other (specify) \_\_\_\_\_  
E 1 Foreign organizations, check here   
E 2 Foreign organizations meeting the 85% test, check here and attach computation   
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

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 page 11 of 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 (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	75	75		
	4 Dividends and interest from securities	35,481	35,481		
	5 a Gross rents				
	b Net rental income or (loss)				
	6 a Net gain or (loss) from sale of assets not on line 10	-48,962			
	b Gross sales price for all assets on line 6a	108,971			
	7 Capital gain net income (from Part IV, line 2)			0	
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	137,171	133,766			
12 Total. Add lines 1 through 11	123,765	169,322			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxed interest (see page 11 of the instructions)		671		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	59,134	38,020		20,488
	24 Total operating and administrative expenses. Add lines 13 through 23	59,805	38,020		20,488
	25 Contributions, gifts, grants paid	172,500			172,500
26 Total expenses and disbursements. Add lines 24 and 25	232,305	38,020		192,988	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-108,540				
b Net investment income (if negative, enter -0-)		131,302			
c Adjusted net income (if negative, enter -0-)					

914-17 ZNE

<b>Part II Balance Sheets</b> 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
<b>Assets</b>	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	52,593	19,369	19,369
	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 (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	1,012,099	854,166	797,669
	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)	3,678,099	3,760,716	3,837,039
	14 Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
15 Other assets (describe ▶)				
16 <b>Total assets</b> (to be completed by all filers—see the instructions Also, see page 1, item I)	4,742,791	4,634,251	4,654,077	
<b>Liabilities</b>	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 <b>Total liabilities</b> (add lines 17 through 22)	0	0	
<b>Net Assets or Fund Balances</b>	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	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	4,742,791	4,634,251		
30 <b>Total net assets or fund balances</b> (see page 17 of the instructions)	4,742,791	4,634,251		
31 <b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions)	4,742,791	4,634,251		

<b>Part III Analysis of Changes in Net Assets or Fund Balances</b>			
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	4,742,791
2	Enter amount from Part I, line 27a	2	-108,540
3	Other increases not included in line 2 (itemize) ▶	3	0
4	Add lines 1, 2, and 3	4	4,634,251
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	4,634,251

**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)
<b>1a Publicly-traded Securities</b>				
<b>b Passthrough K1 Capital Gain/Loss</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
(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)	
<b>a</b> 130,000		157,933	-27,933	
<b>b</b> -20,407		0	-20,407	
<b>c</b>				
<b>d</b>				
<b>e</b>				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(l) 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		
<b>a</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
<b>2 Capital gain net income or (net capital loss)</b>		{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	<b>2</b>	-48,340
<b>3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)</b> 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			} }	<b>3</b>

**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))
2008	229,842	3,786,854	0.060695
2007	79,326	5,371,723	0.014767
2006	21,242	1,263,421	0.016813
2005	0	267,797	0.000000
2004			0.000000
<b>2 Total of line 1, column (d)</b>			<b>2</b> 0.092275
<b>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</b>			<b>3</b> 0.023069
<b>4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5</b>			<b>4</b> 4,601,152
<b>5 Multiply line 4 by line 3</b>			<b>5</b> 106,144
<b>6 Enter 1% of net investment income (1% of Part I, line 27b)</b>			<b>6</b> 1,313
<b>7 Add lines 5 and 6</b>			<b>7</b> 107,457
<b>8 Enter qualifying distributions from Part XII, line 4</b> 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			<b>8</b> 192,988

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

<b>1 a</b> 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 instructions)	1	1,313
<b>b</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		
<b>c</b> All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
<b>2</b> Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0
<b>3</b> Add lines 1 and 2	3	1,313
<b>4</b> Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
<b>5</b> Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5	1,313
<b>6</b> Credits/Payments		
<b>a</b> 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	400
<b>b</b> Exempt foreign organizations—tax withheld at source	6b	
<b>c</b> Tax paid with application for extension of time to file (Form 8868)	6c	0
<b>d</b> Backup withholding erroneously withheld	6d	
<b>7</b> Total credits and payments Add lines 6a through 6d	7	400
<b>8</b> Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	0
<b>9</b> Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	913
<b>10</b> Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0
<b>11</b> Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> 0 Refunded <input type="checkbox"/>	11	0

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1 a</b> 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>b</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)? <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
<b>c</b> Did the foundation file Form 1120-POL for this year?		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
<b>2</b> 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
<b>3</b> 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
<b>4 a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
<b>b</b> If "Yes," has it filed a tax return on Form 990-T for this year?	X	
<b>5</b> 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
<b>6</b> 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	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
<b>8 a</b> Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> DE		
<b>b</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	
<b>9</b> 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 on page 27)? <i>If "Yes," complete Part XIV</i>		X
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

**Part VII-A Statements Regarding Activities (continued)**

<b>11</b>	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)			X
<b>12</b>	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?			X
<b>13</b>	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶	X		
<b>14</b>	The books are in care of ▶ Foundation Source Telephone no ▶ (800) 839-1754 Located at ▶ 501 Silverside Road, Suite 123, Wilmington, DE ZIP+4 ▶ 19809-1377			
<b>15</b>	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			<input type="checkbox"/>

**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
<b>1a</b>	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>b</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 here ▶ <input type="checkbox"/>	<b>1b</b>	N/A
<b>c</b>	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?	<b>1c</b>	X
<b>2</b>	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))		
<b>a</b>	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
<b>b</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 )	<b>2b</b>	N/A
<b>c</b>	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____		
<b>3a</b>	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>b</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 )	<b>3b</b>	N/A
<b>4a</b>	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	<b>4a</b>	X
<b>b</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?	<b>4b</b>	X

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

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (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)?  Yes  No  
 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?  Yes  No  
 If "Yes" to 6b, file Form 8870

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

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

	<b>5b</b>	N/A
	<b>6b</b>	X
	<b>7b</b>	N/A

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

**1 List all officers, directors, trustees, foundation managers and their compensation (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
SEE ATTACHMENT				

**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 .....	
2 .....	
3 .....	
4 .....	

**Part IX-B Summary of Program-Related Investments** (see page 24 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 .....	
2 .....	
All other program-related investments. See page 24 of the instructions	
3 .....	
<b>Total.</b> Add lines 1 through 3 <span style="float: right;">▶</span>	0

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	810,216
<b>b</b>	Average of monthly cash balances	<b>1b</b>	23,965
<b>c</b>	Fair market value of all other assets (see page 24 of the instructions)	<b>1c</b>	3,837,039
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	4,671,220
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	4,671,220
<b>4</b>	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	70,068
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	4,601,152
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	230,058

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	230,058
<b>2a</b>	Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	1,313
<b>b</b>	Income tax for 2009 (This does not include the tax from Part VI)	<b>2b</b>	222
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	1,535
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	228,523
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	0
<b>5</b>	Add lines 3 and 4	<b>5</b>	228,523
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	228,523

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

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	<b>1a</b>	192,988
<b>b</b>	Program-related investments—total from Part IX-B	<b>1b</b>	0
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	0
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	192,988
<b>5</b>	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)	<b>5</b>	1,313
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	191,675

**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 2008	(c) 2008	(d) 2009
<b>1</b> Distributable amount for 2009 from Part XI, line 7				228,523
<b>2</b> Undistributed income, if any, as of the end of 2009				
<b>a</b> Enter amount for 2008 only			188,324	
<b>b</b> Total for prior years 20____, 20____, 20____		0		
<b>3</b> Excess distributions carryover, if any, to 2009				
<b>a</b> From 2004				
<b>b</b> From 2005				
<b>c</b> From 2006				
<b>d</b> From 2007				
<b>e</b> From 2008				
<b>f</b> Total of lines 3a through e	0			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4 $\blacktriangleright$ \$ <u>192,988</u>				
<b>a</b> Applied to 2008, but not more than line 2a			188,324	
<b>b</b> Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
<b>c</b> Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
<b>d</b> Applied to 2009 distributable amount				4,664
<b>e</b> Remaining amount distributed out of corpus	0			
<b>5</b> Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b		0		
<b>c</b> 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				
<b>d</b> Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions		0		
<b>e</b> Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0	
<b>f</b> Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				223,859
<b>7</b> 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)				
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	0			
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2005	0			
<b>b</b> Excess from 2006	0			
<b>c</b> Excess from 2007	0			
<b>d</b> Excess from 2008	0			
<b>e</b> Excess from 2009	0			



**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
<b>a</b> <i>Paid during the year</i>				
BEDFORD AUDUBON SOCIETY 35 TODD RD KATONAH NY 10536	N/A	509(a)(2)	General & Unrestricted	1,000
BIG APPLE CIRCUS LTD 505 8TH AVE FL 19 NEW YORK NY 10018	N/A	509(a)(2)	Circus For All for Seniors	37,000
BRIDGE FUND OF NEW YORK INC 271 MADISON AVE STE 907 NEW YORK NY 10016	N/A	509(a)(1)	Westchester Bridge Fund	2,500
BROWN UNIVERSITY BOX 1976 PROVIDENCE RI 02912	N/A	509(a)(1)	Annual Fund	10,000
CARAMOOR CTR FOR MUSIC & THE ARTS INC 149 GIRDLE RIDGE RD KATONAH NY 10536	N/A	509(a)(1)	General & Unrestricted	1,500
CITYMEALS-ON-WHEELS 355 LEXINGTON AVE NEW YORK NY 10017	N/A	509(a)(1)	General & Unrestricted	25,000
COMMUNITY CTR OF N WESTCHESTER INC 84 BEDFORD RD KATONAH NY 10536	N/A	509(a)(1)	General & Unrestricted	2,500
DOROT INC 171 W 85TH ST NEW YORK NY 10024	N/A	509(a)(1)	Circus for Seniors Initiative	2,500
FACING HIST & OURSELVES NTL FDN, NY REG 14 E 4TH ST STE 3003 NEW YORK NY 10012	N/A	509(a)(1)	General & Unrestricted	40,000
FAMILY SERVICES OF WESTCHESTER INC ONE GATEWAY PLZ PORT CHESTER NY 10573	N/A	509(a)(1)	Wheels on the Bus Campaign	25,000
GUIDING EYES FOR THE BLIND INC 611 GRANITE SPGS, YORKTOWN HTS NY 10598	N/A	509(a)(1)	General & Unrestricted	1,000
KATONAH MUSEUM OF ART INC 134 JAY ST KATONAH NY 10536	N/A	509(a)(2)	General & Unrestricted	1,000
KATONAH VILLAGE LIBRARY 26 BEDFORD RD KATONAH NY 10536	N/A	509(a)(1)	General & Unrestricted	1,000
NATIONAL EATING DISORDERS ASSOCIATION 603 STEWART ST STE 803 SEATTLE WA 98101	N/A	509(a)(2)	General & Unrestricted	2,500
NEIGHBORS LINK CORP 27 COLUMBUS AVE MOUNT KISCO NY 10549	N/A	509(a)(1)	General & Unrestricted	2,500
RWANDA EDUCATION ASSISTANCE PROJECT 5 SAMUEL PURDY LN KATONAH NY 10536	N/A	509(a)(1)	General & Unrestricted	2,500
<b>Total</b> See Attached Statement			▶ <b>3a</b>	172,500
<b>b</b> <i>Approved for future payment</i>				
<b>Total</b>			▶ <b>3b</b>	0





**Form 990-PF, Part I, Line 6a - Gain/Loss from Sale of Assets Other Than Inventory**

		108,971	157,933	-48,962
	TOTAL:			
	Description	Gross Sales Price	Cost Basis	Net Gain/Loss
1	Publicly-traded Securities	130,000	157,933	-27,933
2	Passthrough K-1 Capital Gain/Loss (non-UBI)	-20,407	0	-20,407
3	Passthrough K-1 Capital Gain/Loss (UBI)	-622	0	-622
4				
5				
6				
7				
8				
9				
10				

Form 990-PF, Part I, Line 11 - Other Income

		TOTAL:	137,171	133,766
			(a)	(b)
			Expenses per Books	Net Investment Income
1	ABRAMS CAPITAL PARTNERS II, LP K-1 Pass-Through Share of Partnership Income/(Loss)		38,621	38,766
2	CHESAPEAKE PARTNERS L P K-1 Pass-Through Share of Partnership Income/(Loss)		61,049	57,557
3	CONTRARIAN CAPITAL MANAGEMENT LLC K-1 Pass-Through Share of Partnership Income/(Loss)		23,199	23,199
4	EAST SIDE CAPITAL L P K-1 Pass-Through Share of Partnership Income/(Loss)		14,302	14,244
5				
6				
7				
8				
9				
10				

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

	TOTAL:	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose
1		400	0	0	0
2		271	0	0	0
3					
4					
5					
6					
7					
8					
9					
10					

**Form 990-PF, Part I, Line 23 - Other Expenses**

		TOTAL:	59,134	38,020	0	20,488
		(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose	
<b>1</b>	Administrative Fees	20,463	0	0	20,463	
<b>2</b>	Bank Charges	5,121	5,121	0	0	
<b>3</b>	K-1 pass-through ABRAMS CAPITAL PARTNERS II, LP	9,814	9,814	0	0	
<b>4</b>	K-1 pass-through CHESAPEAKE PARTNERS L P	10,319	10,319	0	0	
<b>5</b>	K-1 pass-through CONTRARIAN CAPITAL MANAGEMENT LLC	717	717	0	0	
<b>6</b>	K-1 pass-through EAST SIDE CAPITAL L P	12,049	12,049	0	0	
<b>7</b>	K-1 UBI pass-through CHESAPEAKE PARTNERS L P	626	0	0	0	
<b>8</b>	Delaware Filing Fee	25	0	0	25	
<b>9</b>						
<b>10</b>						

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

		TOTAL:		854,166	797,669
		Shares	Line 10b - Column (b) Book Value	Line 10b - Column (b) Fair Market Value	Line 10b - Column (c) Fair Market Value
1	ARTIO INTERNATIONAL II - I (JETIX)	7,880	100,000		92,830
2	COLUMBIA FDS SRS TR I HIGH YIELD OPPORTUNITY FD C (LHYZX)	21,284	100,000		81,091
3	COLUMBIA SELECT LARGE CAP GROWTH FUNDCLASS Z (UMLGX)	7,926	95,667		80,370
4	COLUMBIA SHORT INTERMEDIATE BOND FUND CLASS Z (UIMIX)	28,536	202,100		205,745
5	COLUMBIA VALUE AND RESTRUCTURING FUND CLASS Z (UMBIX)	2,037	106,399		87,169
6	PIMCO TOTAL RETURN FUND (PTTRX)	23,191	250,000		250,464
7					
8					
9					
10					

**Form 990-PF, Part II, Line 13 - Investments - Other**

		TOTAL:	3,760,716	3,837,039
	Asset Description	Line 13 - Column (b) Book Value	Line 13 - Column (c) Fair Market Value	
1	ABRAMS CAPITAL PARTNERS II, LP (ABRAMS)	1,023,114	1,009,548	
2	CHESAPEAKE PARTNERS L.P. (CHESAPEAKE)	962,865	1,000,789	
3	CONTRARIAN CAPITAL MANAGEMENT LLC (CONTRARIAN)	827,414	871,208	
4	EAST SIDE CAPITAL L.P. (EASTCPTL)	947,323	955,494	
5				
6				
7				
8				
9				
10				

**Form 990-PF, Part VIII, Line 1 - Compensation of Officers, Directors, Trustees and Foundation Managers**

	Name	Street	City	State	Zip Code	Title	Avg Hrs	Comp	Benefits	Expense Account
1	Jon R. Bauer	c/o Foundation Source 501 Silverside Road Suite 123	Wilmington	DE	19809	President / Director / Secretary	1	0	0	0
2	Jeff Bauer	c/o Foundation Source 501 Silverside Road Suite 123	Wilmington	DE	19809	Vice President	1	0	0	0
3	Laura Bauer	c/o Foundation Source 501 Silverside Road Suite 123	Wilmington	DE	19809	Vice President	1	0	0	0
4	Nancy A. Bauer	c/o Foundation Source 501 Silverside Road Suite 123	Wilmington	DE	19809	Vice President / Director	1	0	0	0
5										
6										
7										
8										
9										
10										

TOTAL:

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

Recipient(s) paid during the year

Name

SOCIETY FOR CLASSICAL REFORM JUDAISM INC

Person Business

Street

15 NEWBURY ST

City

BOSTON

State

MA

Zip code

02116

Foreign Country

Relationship

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

2,500

Name

WASHINGTON UNIVERSITY

Person Business

Street

700 ROSEDALE AVE BOX 1000

City

ST LOUIS

State

MO

Zip code

63112

Foreign Country

Relationship

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Danforth Scholars Program

Amount

10,000

Name

WESTCHESTER LAND TRUST INC

Person Business

Street

403 HARRIS RD

City

BEDFORD HILLS

State

NY

Zip code

10507

Foreign Country

Relationship

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

2,500

Name

Person Business

Street

City

State

Zip code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

0

Name

Person Business

Street

City

State

Zip code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

0

Name

Person Business

Street

City

State

Zip code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

0