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

2009

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

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 THE KARA FOUNDATION		A Employer identification number 36-3779796	
	Number and street (or P O box number if mail is not delivered to street address) P.O. BOX 487		Room/suite	B Telephone number 630-377-3236
City or town, state, and ZIP code BLOOMINGDALE, IL 60108		<input type="checkbox"/> If exemption application is pending, check here ► <input type="checkbox"/> <input type="checkbox"/> D 1. Foreign organizations, check here ► <input type="checkbox"/> <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/> <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/> <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>		
<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				
<input type="checkbox"/> I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 7126811. (Part I, column (d) must be on cash basis.)		<input type="checkbox"/> J Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		
Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income
1 Contributions, gifts, grants, etc., received				N/A
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities		158192.	158192.	STATEMENT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10		1034543.	<129353. >	
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)			0.	
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income		2419.	2419.	STATEMENT 2
12 Total Add lines 1 through 11		31258.	160611.	
13 Compensation of officers, directors, trustees, etc		134464.	6724.	127740.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees		STMT 3	2650.	0.
c Other professional fees		STMT 4	26199.	0.
17 Interest				
RECEIVED		STMT 5	13029.	0.
18 Taxes			605.	
19 Depreciation and depletion			791.	0.
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publishing				
23 Other expenses		STMT 6	17150.	0.
24 Total operating and administrative expenses Add lines 13 through 23			194283.	40399.
25 Contributions, gifts, grants paid			235500.	235500.
26 Total expenses and disbursements. Add lines 24 and 25			429783.	40399.
27 Subtract line 26 from line 12			<398525. >	
a Excess of revenue over expenses and disbursements				
b Net investment income (if negative, enter -0-)			120212.	
c Adjusted net income (if negative, enter -0-)				N/A

923501
02-02-10

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

Form 990-PF (2009)

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing	69949.	34458.	34458.
	2	Savings and temporary cash investments	650662.	47300.	47300.
	3	Accounts receivable ►			
		Less allowance for doubtful accounts ►			
	4	Pledges receivable ►			
		Less allowance for doubtful accounts ►			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable ►			
		Less allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U S and state government obligations			
	b	Investments - corporate stock	STMT 8	4016512.	4751950.
	c	Investments - corporate bonds	STMT 9	1435274.	939084.
Liabilities	11	Investments - land, buildings, and equipment basis ►			
		Less accumulated depreciation ►			
	12	Investments - mortgage loans			
	13	Investments - other			
	14	Land, buildings, and equipment basis ►	15144.		
		Less accumulated depreciation	STMT 10 ►	14724.	420.
	15	Other assets (describe ►	STATEMENT 11)	35447.	37894.
	16	Total assets (to be completed by all filers)		6209055.	5811106.
	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable			
	22	Other liabilities (describe ►	STATEMENT 12)	0.	576.
	23	Total liabilities (add lines 17 through 22)		0.	576.
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>				
	and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/>				
	and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds		0.	0.
	28	Paid-in or capital surplus, or land, bldg , and equipment fund		0.	0.
	29	Retained earnings, accumulated income, endowment, or other funds		6209055.	5810530.
	30	Total net assets or fund balances		6209055.	5810530.
	31	Total liabilities and net assets/fund balances		6209055.	5811106.

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	6209055.
2	Enter amount from Part I, line 27a	2	<398525.>
3	Other increases not included in line 2 (itemize) ►	3	0.
4	Add lines 1, 2, and 3	4	5810530.
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	5810530.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a					
b	SEE ATTACHED STATEMENT				
c					
d					
e					
	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a					
b					
c					
d					
e	1034543.		1163896.	<129353.>	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any			
a					
b					
c					
d					
e				<129353.>	
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	<129353.>	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8	{ }		3	N/A	

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

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

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

 Yes No

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2008	399300.	7310342.	.054621
2007	394558.	8643165.	.045650
2006	358243.	8344255.	.042933
2005	366294.	7084031.	.051707
2004	371085.	7944067.	.046712

2 Total of line 1, column (d)

2 .241623

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 .048325

4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5

4 6416375.

5 Multiply line 4 by line 3

5 310071.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 1202.

7 Add lines 5 and 6

7 311273.

8 Enter qualifying distributions from Part XII, line 4

8 363240.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1	(attach copy of letter if necessary-see instructions)	1	1202.		
Date of ruling or determination letter _____					
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, col (b)					
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)					
3 Add lines 1 and 2					
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)					
5 Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-					
6 Credits/Payments					
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	1600.	1600.		
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	1600.			
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	398.			
11 Enter the amount of line 10 to be Credited to 2010 estimated tax ►	398.	Refunded ►	0.		

Part VII-A Statements Regarding Activities

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?	Yes	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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>	1a	X
c Did the foundation file Form 1120-POL for this year?	1b	X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ► \$ _____ 0. (2) On foundation managers ► \$ _____ 0.	1c	X
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____ 0.	2	X
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>	3	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>	4a	X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	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>	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?	N/A	X
7 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>	6	X
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► <u>IL</u>	7	X
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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? 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)

11		X
12		X
13	X	
14	JUDITH DE MOON Located at ► P.O. BOX 487, BLOOMINGDALE, IL	Telephone no ► 630-377-3236 ZIP+4 ► 60108
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	► 15 N/A

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	► <input type="checkbox"/>	
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?		
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If "Yes," list the years ► _____, _____, _____, _____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)		N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► _____, _____, _____, _____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<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.)		N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
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?		

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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))?
- (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?
- (3) Provide a grant to an individual for travel, study, or other similar purposes?
- (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)?
- (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 Yes No Yes No Yes No Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

►

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?

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?

N/A

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
PATRICK S DE MOON P.O. BOX 487 BLOOMINGDALE, IL 60108	PRESIDENT/TREASURER 40.00	88152.	0.	0.
JUDITH A DE MOON P.O. BOX 487 BLOOMINGDALE, IL 60108	SECRETARY 40.00	46312.	0.	0.

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

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

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

►

0

Form 990-PF (2009)

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	1a	6112902.
a Average monthly fair market value of securities	1b	401184.
b Average of monthly cash balances	1c	
c Fair market value of all other assets	1d	6514086.
d Total (add lines 1a, b, and c)		
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	6514086.
4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	97711.
5 Net value of noncharitable-use assets . Subtract line 4 from line 3 Enter here and on Part V, line 4	5	6416375.
6 Minimum investment return . Enter 5% of line 5	6	320819.

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	320819.
2a Tax on investment income for 2009 from Part VI, line 5	2a	1202.
b Income tax for 2009 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	1202.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	319617.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	319617.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	319617.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes	1a	363240.
a Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1b	0.
b Program-related investments - total from Part IX-B	2	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	3a	
3 Amounts set aside for specific charitable projects that satisfy the	3b	
a Suitability test (prior IRS approval required)	4	363240.
b Cash distribution test (attach the required schedule)	5	1202.
4 Qualifying distributions . Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	362038.
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		
6 Adjusted qualifying distributions . Subtract line 5 from line 4		

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				319617.
2 Undistributed income, if any, as of the end of 2009			234466.	
a Enter amount for 2008 only				
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e		0.		
4 Qualifying distributions for 2009 from Part XII, line 4 ► \$ 363240.			234466.	
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)		0.		
d Applied to 2009 distributable amount				128774.
e Remaining amount distributed out of corpus		0.		0.
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		0.		
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				190843.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)		0.		
8 Excess distributions carryover from 2004 not applied on line 5 or line 7		0.		
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a		0.		
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

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

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ►

4942(j)(3) or 4942(j)(5)

Tax year	Prior 3 years				(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(III)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV **Supplementary Information** (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see the instructions.)**1 Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<i>a Paid during the year</i> SEE ATTACHED SCHEDULE				
Total			► 3a	235500.
<i>b Approved for future payment</i>				
NONE				
Total			► 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	158192.	
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			01	2419.	
8 Gain or (loss) from sales of assets other than inventory			18	<129353.>	
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.		31258.	0.
13 Total. Add line 12, columns (b), (d), and (e)				13	31258.
(See worksheet in line 13 instructions to verify calculations)					

Relationship of Activities to the Accomplishment of Exempt Purposes

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	X	
(2)	Other assets	X	
b	Other transactions		
(1)	Sales of assets to a noncharitable exempt organization	X	
(2)	Purchases of assets from a noncharitable exempt organization	X	
(3)	Rental of facilities, equipment, or other assets	X	
(4)	Reimbursement arrangements	X	
(5)	Loans or loan guarantees	X	
(6)	Performance of services or membership or fundraising solicitations	X	
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		
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 foundation. 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		

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		

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	Title	
		MAY 03 2010	Check if self-employed <input type="checkbox"/>	Preparer's identifying number P00371252
Paid Preparer's Use Only		FIRM'S NAME (OR YOURS IF SELF-EMPLOYED). ADDRESS, AND ZIP CODE		
		FRANK L. SASSETTI AND CO 6611 W. NORTH AVE. OAK PARK, IL. 60302		
		EIN <input type="checkbox"/> Phone no (708) 386-1433		

The Kara Foundation
 Grant Distribution List
 2009

GRANTEE	GRANT AMT.	TYPE OF SUPPORT
Association for Developmental Disabilities, Inc. 161 Old York Road, #A50 Jenkintown, PA 19046	1,000	Operational
Almost Home Kids 7 S 721 Route 53 Naperville, Illinois 60540	3,000	Operational
American Red Cross Fox River Chapter 121 North Second Street Suite G St. Charles, IL 60174	1,000	Disaster preparedness programs
Anorexia Nervosa and Associated Disorders Box 7 Highland Park, IL 60035	1,000	School education/prevention programs
Association of Small Foundations 4905 Del Ray Avenue, #200 Bethesda, MD 20814	5,000	Educational programs
Bloomingdale Church 264 Glen Ellyn Road Bloomingdale, IL 60108	1,000	Youth programs
Bloomingdale Public Library 101 Fairfield Way Bloomingdale, IL 60108	1,000	Educational equipment, hardware, software for children and young adults
Bloomingdale Township Food Pantry 123 North Rosedale Road Annex Building Bloomingdale, IL 60108	1,000	Food baskets and gift certificates for children and seniors
Brookfield Zoo Brookfield, IL 60513-0719	3,000	Operational

Channel 10 KLVX Public Television 4210 Channel 10 Drive Las Vegas, Nevada 89119	5,000	Operational/educational Keeping Kids Fit Program
Channel 11, WTTW 11 Network Chicago 5400 North St. Louis Avenue Chicago, IL 60625-4698	1,000	Children's programs
Child's Voice 180 Hansen Court Wood Dale, IL 60191	15,000	Audiometry Lab
Community Health 2611 West Chicago Avenue Chicago, IL 60622	2,000	Health care for the under served and uninsured
Conservancy of Southwest Florida 1450 Merrihue Drive Naples, Florida 34102	5,000	Environmental exhibits and educational programs
CROW (Care and Rehabilitation of Wildlife) P.O. Box 150 Sanibel, Florida 33957	1,000	Wildlife rehabilitation, public education
DayOne Network 1551 East Fabyan Parkway Geneva, Illinois 60134	5,000	Operational expenses for serving developmentally disabled children
Donka, Inc. 400 North County Farm Road Wheaton, Illinois 60187	3,000	Teaching compute programs for people with visual and physical disabilities
DuPage Children's Museum 301 North Washington Street Naperville, Illinois 60540	2,000	Operational
DuPage Community Clinic P.O. Box 606 1506 East Roosevelt Road Wheaton, IL 60189-0606	10,000	Medical care for the working poor and uninsured
DuPage County Children's Center Friends	2,000	Programs to meet needs of

P.O. Box 1617 Wheaton, Illinois 60189		abused children and effected family members
Elgin Symphony 20 DuPage Court Elgin, Illinois 60120-6424	1,000	Children's programs
Fairfield University 1073 Benson Road Fairfield, CT 06824-5195	1,000	Library acquisitions, Ethics section
Family Shelter Service 605 East Roosevelt Road Wheaton, Illinois 60187	7,000	Bilingual-bicultural shelter counselor position
Fox Valley Volunteer Hospice 200 Whitfield Drive Geneva, Illinois 60134	8,000	Herbie's Friends—children's grief program
International Museum of Surgical Science 1524 North Lake Shore Drive Chicago, Illinois 60610-1607	1,000	Operational
Kids on Bikes, Inc. 600 South 21 st Street Suite 100 Colorado Springs, CO 80906	1,000	Bikes for underserved kids
Lake Geneva Theater Company 39701 93 rd Street Genoa City, WI 53128	2,500	Operational
Lakeview Food Pantry 3831 North Broadway Chicago, Illinois 60613	1,500	Food pantry
Lambs Farm 14245 West Rockland Road Libertyville, IL 60048	2,500	Operational, residential facility serving adults with developmental disabilities
Lazarus House 214 Walnut Street St. Charles, Illinois 60174	10,000	Operational and medical for homeless shelter
LifeLine Pilots Byerly Terminal, Suite 302	10,000	Operational

6100 West Everett Dirksen Parkway
Peoria, Illinois 61607

Living Well Cancer Resource Ctr.
1803 West State Street
Geneva, Illinois 60134

MYM of Greater DuPage
D/B/A Teen Parent Connection
739 Roosevelt Road, Bldg. 8, #306
Glen Ellyn, IL 60137-9937

Nevada Cancer Institute
10000 West Charleston Boulevard
Las Vegas, Nevada 89135

Nevada Childhood Cancer Foundation
6070 South Eastern Avenue
Suite 200
Las Vegas, Nevada 89119

Opportunity Village
6300 West Oakey Boulevard
Las Vegas, Nevada 89146

The American Society of the Order
150 East 55th Street, 3rd Floor
New York, NY 10022

Parents Alliance Employment Project
2525 Cabot Drive, #302
Lisle, Illinois 60532

People's Resource Center
201 South Naperville Road
Wheaton, Illinois 60187

Philanthropy Roundtable
1150 17th Street, NW, #503
Washington, D.C. 20036

Positively Kids
3535 West Reno Avenue, Suite F
Las Vegas, Nevada 89118

5,000

Program for children with
cancer

1,000

Parenting programs for teens

10,000

Skin care and oral hygiene
products, nutritional supple-
ments for cancer patients

7,500

Stories About Me Project

5,000

Operational (facility for
intellectually and physically
challenged individuals

2,500

Operational (St. John Eye
Hospital)

1,000

Operational

8,000

Operational

1,000

Operational

3,000

Patient care programs for
medically fragile children
living at home

Rainbows 2100 Gold Road, #370 Rolling Meadows, IL 60008-4231	2,500	Support programs for grieving children
Salvation Army 1710 South 7 th Avenue St. Charles, Illinois 60174	1,000	Operational
Sanibel-Captiva Conservation Foundation 3333 Sanibel-Captiva Road P.O. Box 839 Sanibel, Florida 33957-0839	1,000	Operational
SGA Youth & Family Services 11 East Adams, #1500 Chicago, Illinois 60603	1,000	Operational
Shriners Children's Hospital 2211 North Oak Park Avenue Chicago, Illinois 60707-3392	2,500	Staff educational programs
Soaring Eagle Academy P.O. Box 63 Riverside, IL 60546	1,000	Capital campaign, school for autistic children
Special Olympics Illinois 800 Roosevelt Road, Bldg. B, #220 Glen Ellyn, IL 60137-5860	1,000	Operational
Spinal Cord Injury Association of Illinois 1032 South LaGrange Road LaGrange, Illinois 60525-2865	5,000	Operational
St. Charles Park Foundation 101 South Second Street St. Charles, Illinois 60174	1,000	Operational
St. Charles Public Library One South Sixth Avenue St. Charles, Illinois 60174	1,000	Youth Services Department
Street Teens P.O. Box 70478 Las Vegas, Nevada 89170-0478	41,000	One year mortgage for new facility

The Time is Now to Help 101 Broad Street Suite 602 Lake Geneva, Wisconsin 53147	1,500	Operational
Tri City Family Services 1120 Randall Court Geneva, Illinois 60134	1,000	Operational
Tri City Health Partnership 318 Walnut Street St. Charles, Illinois 60174	5,000	Operational (free clinic for underserved/uninsured)
Tuesday's Child 4028 West Irving Park Road Chicago, Illinois 60641	1,000	Operational for at risk school students
UIC Pediatric Resource Center 530 North Glen Oak Avenue Peoria, Illinois 61637	2,000	Operational
Wayne Township General Assistance Fund 27w031 North Avenue West Chicago, Illinois 60185	1,500	Food pantry
WBEZ Chicago Public Radio Navy Pier 848 East Grand Avenue Chicago, IL 60611-3509	1,000	Operational
WDSRA (Western DuPage Special Recreation Association) 116 North Schmale Road Carol Stream, Illinois 60188	5,000	Inclusion services for individuals with disabilities
Wellness House 131 North County Farm Road Hinsdale, IL 60521-2401	2,000	Operational (cancer support facility)

Geographical

Focus

East	5	Health/welfare	40	
Midwest	46	Cultural	3	
South	3	Religious	1	
West	7	Educational	17	1

*Total # of grants = 61
Total amount of grants = \$ 235,500*

THE KARA FOUNDATION

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	SUNPOWER CORP	P	07/30/08	11/24/09
b	AMERICAN EXPRESS CORP	P	04/15/05	06/17/09
c	FEDEX CORP	P	04/22/99	04/21/09
d	ISHARES RUSSELL MIDCAP VALUE FUND	P	12/19/03	04/21/09
e	ISHARES RUSSELL 2000 VALUE FUND	P	12/19/09	04/21/09
f	CAROLINA LIGHT & POWER	P	05/25/99	03/01/09
g				
h				
i				
j				
k				
l				
m				
n				
o				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 20844.		78492.	<57648. >
b 250000.		254290.	<4290. >
c 60276.		67184.	<6908. >
d 320865.		364600.	<43735. >
e 132558.		157430.	<24872. >
f 250000.		241900.	8100.
g			
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			<57648. >
b			<4290. >
c			<6908. >
d			<43735. >
e			<24872. >
f			8100.
g			
h			
i			
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	<129353. >
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter "-0-" in Part I, line 8 }	3	N/A

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction in Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	EQUIPMENT		VARIESSL	5.00	16	4753.			4753.	4753.		0.
2	COMPUTER	020801SL		5.00	16	2739.			2739.	2739.		0.
3	OFFICE FURNITURE	020801SL		7.00	16	1103.			1103.	1103.		0.
4	OFFICE EQUIPMENT	090802SL		5.00	16	541.			541.	541.		0.
5	OFFICE EQUIPMENT	082803SL		7.00	16	3473.			3473.	2645.		496.
6	OFFICE EQUIPMENT	090803SL		7.00	16	949.			949.	725.		136.
7	COMPUTER	071004SL		5.00	17	1586.			1586.	1427.		159.
* TOTAL 990-PF PG 1						15144.		0.	15144.	13933.	0.	791.

FORM 990-PF.

DIVIDENDS AND INTEREST FROM SECURITIES

STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDENDS-SCHWAB	97379.	0.	97379.
INTEREST-BONDS-SCHWAB	60813.	0.	60813.
TOTAL TO FM 990-PF, PART I, LN 4	158192.	0.	158192.

FORM 990-PF

OTHER INCOME

STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
MISCELLANEOUS	2419.	2419.	
TOTAL TO FORM 990-PF, PART I, LINE 11	2419.	2419.	

FORM 990-PF

ACCOUNTING FEES

STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	2650.	2650.		0.
TO FORM 990-PF, PG 1, LN 16B	2650.	2650.		0.

FORM 990-PF

OTHER PROFESSIONAL FEES

STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ASSET MANAGEMENT	26063.	26063.		0.
GRAPHIC DESIGN	136.	136.		0.
TO FORM 990-PF, PG 1, LN 16C	26199.	26199.		0.

FORM 990-PF.

TAXES

STATEMENT

5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL	12091.	605.		0.
FOREIGN TAXES	938.	0.		0.
TO FORM 990-PF, PG 1, LN 18	13029.	605.		0.

FORM 990-PF

OTHER EXPENSES

STATEMENT

6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OFFICE EXPENSES	4688.	937.		0.
TELEPHONE	3849.	770.		0.
INSURANCE	7503.	1501.		0.
DUES AND SUBSCRIPTIONS	665.	133.		0.
POSTAGE	320.	64.		0.
MISC.	125.	25.		0.
TO FORM 990-PF, PG 1, LN 23	17150.	3430.		0.

FORM 990-PF

OTHER FUNDS

STATEMENT

7

DESCRIPTION	(A) BEGINNING OF YEAR	(B) END OF YEAR
ENDOWMENT FUND	6209055.	5810530.
TOTAL TO FORM 990-PF, PART II, LINE 29	6209055.	5810530.

FORM 990-PF.	CORPORATE STOCK	STATEMENT 8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK	4751950.	6072540.
TOTAL TO FORM 990-PF, PART II, LINE 10B	4751950.	6072540.

FORM 990-PF	CORPORATE BONDS	STATEMENT 9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS	939084.	972093.
TOTAL TO FORM 990-PF, PART II, LINE 10C	939084.	972093.

FORM 990-PF	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT 10
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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
EQUIPMENT	4753.	4753.	0.
COMPUTER	2739.	2739.	0.
OFFICE FURNITURE	1103.	1103.	0.
OFFICE EQUIPMENT	541.	541.	0.
OFFICE EQUIPMENT	3473.	3141.	332.
OFFICE EQUIPMENT	949.	861.	88.
COMPUTER	1586.	1586.	0.
TOTAL TO FM 990-PF, PART II, LN 14	15144.	14724.	420.

FORM 990-PF	OTHER ASSETS	STATEMENT 11
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DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
ACCRUED INTEREST RECEIVABLE	35447.	37894.	0.
TO FORM 990-PF, PART II, LINE 15	35447.	37894.	0.

FORM 990-PF.	OTHER LIABILITIES	STATEMENT 12
DESCRIPTION	BOY AMOUNT	EOY AMOUNT
ACCRUED FOREIGN TAXES	0.	576.
TOTAL TO FORM 990-PF, PART II, LINE 22	0.	576.