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Return of Private Foundation

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

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

, 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.Name of foundation
THE BILL AND ORLI STALEY FOUNDATION
C/O LYNNE KAPLAN

A Employer identification number

36-3925847

See Specific
Instructions:Number and street (or P O box number if mail is not delivered to street address)
9450 W BRYN MAWR AVERoom/suite
310

B Telephone number

847-928-9820

City or town, state, and ZIP code
ROSEMONT, IL 60018-5272C If exemption application is pending, check here ► D 1. Foreign organizations, check here ► 2. Foreign organizations meeting the 85% test, check here and attach computation ►

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

J Accounting method

(from Part II, col. (c), line 16)

► \$ 1,790,262.

(Part I, column (d) must be on cash basis)

(a) Revenue and
expenses per books(b) Net investment
income(c) Adjusted net
income(d) Disbursements
for charitable purposes
(cash basis only)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
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		147.	147.		STATEMENT 2
4 Dividends and interest from securities		46,598.	46,598.		STATEMENT 3
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10					
b Gross sales price for all assets on line 6a	789,508.				STATEMENT 1
7 Capital gain net income (from Part IV, line 2)					
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					
12 Total Add lines 1 through 11		<21,472. >	66,753.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees	STMT 4	1,500.	1,500.		0.
c Other professional fees	STMT 5	11,266.	11,266.		0.
17 Interest					
18 Taxes	STMT 6	1,284.	209.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses	STMT 7	19.	19.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		14,069.	12,994.		0.
25 Contributions, gifts, grants paid		189,549.			189,549.
26 Total expenses and disbursements. Add lines 24 and 25		203,618.	12,994.		189,549.
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)		<225,090. >	53,759.	N/A	

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02-02-10 LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions.

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
	1 Cash - non-interest-bearing		<3.>	<4.>	<4.>
	2 Savings and temporary cash investments		243,035.	211,783.	211,783.
	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	STMT 8	485,305.	431,162.	442,655.
	b Investments - corporate stock	STMT 9	1,018,220.	836,111.	997,073.
	c Investments - corporate bonds	STMT 10	68,554.	112,044.	129,078.
	11 Investments - land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	12 Investments - mortgage loans				
	13 Investments - other				
	14 Land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	15 Other assets (describe ►	STATEMENT 11)	10,752.	9,677.	9,677.
	16 Total assets (to be completed by all filers)		1,825,863.	1,600,773.	1,790,262.
	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 ►)			
	23 Total liabilities (add lines 17 through 22)		0.	0.	
	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		1,825,863.	1,600,773.	
	30 Total net assets or fund balances		1,825,863.	1,600,773.	
	31 Total liabilities and net assets/fund balances		1,825,863.	1,600,773.	

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	1,825,863.
2 Enter amount from Part I, line 27a	2	<225,090.>
3 Other increases not included in line 2 (itemize) ►	3	0.
4 Add lines 1, 2, and 3	4	1,600,773.
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	1,600,773.

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a					
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	789,508.		769,500.	20,008.	
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))	
	(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					
b					
c					
d					
e				20,008.	
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	20,008.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8				3	N/A

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

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

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

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

Yes No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2008	179,750.	2,078,038.	.086500
2007	221,868.	1,793,806.	.123686
2006	251,686.	1,511,800.	.166481
2005	217,415.	1,406,975.	.154527
2004	216,113.	1,492,137.	.144835

2 Total of line 1, column (d)

2 .676029

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 .135206

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

4 1,648,427.

5 Multiply line 4 by line 3

5 222,877.

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

6 538.

7 Add lines 5 and 6

7 223,415.

8 Enter qualifying distributions from Part XII, line 4

8 189,549.

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

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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 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)	1 1,075. 2 0. 3 1,075. 4 0. 5 1,075.
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input 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	2 0.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	3 1,075. 4 0.
5	Tax based on Investment Income. Subtract line 4 from line 3. If zero or less, enter -0-	5 1,075.
6	Credits/Payments	
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a 10,752.
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 10,752.
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 9,677.
11	Enter the amount of line 10 to be Credited to 2010 estimated tax ►	11 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 X
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>	1b X
c	Did the foundation file Form 1120-POL for this year?	1c X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ► \$ 0. (2) On foundation managers ► \$ 0.	
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ 0.	
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	2 X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3 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?	4a 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>	4b 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?	5 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>II</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

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Part VII-A Statements Regarding Activities (continued)

11	X
12	X
13	X
14 The books are in care of ► GROSS KAPLAN & OSIOL, LLC Telephone no ► 847-928-9820 Located at ► 9450 W BRYN MAWR AVE, SUITE 310, CHICAGO, IL ZIP+4 ► 60018-5272	
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"/> X 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"/> X No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> X No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> X 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"/> X 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"/> X 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	N/A ►	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c X	
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 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 ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X 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 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"/> X 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?	3b 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?	4a X	
		4b 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

Yes No

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

Yes No

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

N/A

►

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
ARLENE D. STALEY 999 N LAKE SHORE DR CHICAGO, IL 60611	TRUSTEE 1.00	0.	0.	0.
WILLIAM D. STALEY 999 N LAKE SHORE DR CHICAGO, IL 60611	TRUSTEE 1.00	0.	0.	0.

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

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

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

►

0

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

3 Five highest-paid independent contractors for professional services. 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 ► 0

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	N/A	
2		
3		
4		

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Amount

1	N/A	
2		
3		

All other program-related investments. See instructions

3		

Total. Add lines 1 through 3 ► 0.

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a Average monthly fair market value of securities	1a	1,474,489.
b Average of monthly cash balances	1b	199,041.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	1,673,530.
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	1,673,530.
4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	25,103.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,648,427.
6 Minimum investment return. Enter 5% of line 5	6	82,421.

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	82,421.
2a Tax on investment income for 2009 from Part VI, line 5	2a	1,075.
b Income tax for 2009 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	1,075.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	81,346.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	81,346.
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	81,346.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes	1a	189,549.
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	189,549.
b Cash distribution test (attach the required schedule)	5	0.
4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	189,549.
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

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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				81,346.
2 Undistributed income, if any, as of the end of 2009			0.	
a Enter amount for 2008 only			0.	
b Total for prior years				
3 Excess distributions carryover, if any, to 2009				
a From 2004	143,680.			
b From 2005	150,468.			
c From 2006	182,556.			
d From 2007	144,921.			
e From 2008	77,741.			
f Total of lines 3a through e	699,366.			
4 Qualifying distributions for 2009 from Part XII, line 4 ► \$ 189,549.			0.	
a Applied to 2008, but not more than line 2a			0.	
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				81,346.
e Remaining amount distributed out of corpus	108,203.			0.
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			
6 Enter the net total of each column as indicated below:	807,569.			
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				0.
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	143,680.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	663,889.			
10 Analysis of line 9				
a Excess from 2005	150,468.			
b Excess from 2006	182,556.			
c Excess from 2007	144,921.			
d Excess from 2008	77,741.			
e Excess from 2009	108,203.			

923581
02-02-10

Form 990-PF (2009)

THE BILL AND ORLI STALEY FOUNDATION
C/O LYNNE KAPLAN

Form 990-PF (2009)

C/O LYNNE KAPLAN

36-3925847

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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 ►

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

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.

THE BILL AND ORLI STALEY FOUNDATION
C/O LYNNE KAPLAN

Form 990-PF (2009)

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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 STATEMENT 12				
Total			► 3a	189,549.
<i>b Approved for future payment</i>				
GOODMAN THEATRE 170 N DEARBORN CHICAGO, IL 60601				55,000.
Total			► 3b	55,000.

923611 02-02-10

Form 990-PF (2009)

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			14	147.	
4 Dividends and interest from securities			14	46,598.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	<68,217.>	
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.		<21,472.>	0.
13 Total Add line 12, columns (b), (d), and (e)				13	<21,472.>
(See worksheet in line 13 instructions to verify calculations)					

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

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)
a (SEE SCHEDULE)			P	VARIOUS	VARIOUS
b (SEE SCHEDULE)			P	VARIOUS	VARIOUS
c CLASS ACTION SETTLEMENT			P	VARIOUS	09/09/09
d 800 SH ABBOTT LABS			D	12/31/87	12/16/09
e 800 SH ABBOTT LABS			D	05/25/70	12/16/09
f 500 SH INTEL CORP			D	12/28/93	12/11/09
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 158,501.		197,564.	<39,063.>		
b 533,266.		565,092.	<31,826.>		
c 1,210.			1,210.		
d 43,240.		340.	42,900.		
e 43,240.		4,488.	38,752.		
f 10,051.		2,016.	8,035.		
g					
h					
i					
j					
k					
l					
m					
n					
o					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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	<39,063.>		
a			<31,826.>		
b			1,210.		
c			42,900.		
d			38,752.		
e			8,035.		
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	20,008.		
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		

BILL & ORLI STALEY FOUNDATION
Schedule D - Capital Gains and Losses/1 (Exclude)
As of: December 31, 2009

Quantit	Asset	Date Acquired	Date Sold	Proceeds	Tax Basis	Gain/Loss
<u>Short-Term Capital Gains and</u>						
400	ADVANCE AUTO 062608 SLD#1	Jun 26 08	Mar 25 09	15,793.91	16,004.00	-210.09
300	ADVANCE AUTO 102008	Oct 20 08	Sep 4 09	12,366.80	8,852.38	3,514.42
500	CARNIVAL CORP 062608	Jun 26 08	Jan 21 09	9,660.74	17,240.00	-7,579.26
200	ITT CORP NEW 012109	Jan 21 09	Jun 25 09	8,834.41	9,118.40	-283.99
3,000	MDS INC 032509	Mar 25 09	Dec 11 09	22,564.52	15,480.00	7,084.52
2,000	MDS INC 052909	May 29 09	Dec 11 09	15,043.01	9,999.60	5,043.41
3,000	MDS INC 102008	Oct 20 08	Sep 8 09	23,969.38	31,157.70	-7,188.32
200	NEWFIELD EXPL 082508	Aug 25 08	Jan 21 09	3,792.48	8,858.56	-5,066.08
800	NEWFIELD EXPL 102008	Oct 20 08	Jan 21 09	15,169.91	18,774.64	-3,604.73
1,600	TEXAS INSTRUMENTS 020608	Feb 6 08	Jan 21 09	22,768.03	47,472.00	-24,703.97
600	TEXAS INSTRUMENTS 082508	Aug 25 08	Jan 21 09	8,538.01	14,606.32	-6,068.31
	Total Short-term			158,501.20	197,563.60	-39,062.40
<u>Long-Term Capital Gains and</u>						
700	ADVANCE AUTO 062608	Jun 26 08	Sep 4 09	28,855.84	28,007.00	848.84
700	AVON PRODS INC92105 SLD#1	Sep 21 05	Sep 17 09	22,691.81	18,919.04	3,772.77
1,000	CARNIVAL CORP 111507	Nov 15 07	Jan 21 09	19,321.49	44,670.00	-25,348.51
600	COSTCO WHL 82703	Aug 27 03	Dec 11 09	35,546.22	19,224.00	16,322.22
500	COVIDIEN LTD 71607	Jul 16 07	Sep 17 09	21,140.45	22,210.00	-1,069.55
50	FED FARM CR BK7.79 060513	Dec 19 07	Jun 5 09	50,000.00	50,977.50	-977.50
25	FHLM 5.75% 021309	Jan 24 07	Feb 13 09	25,000.00	25,308.00	-308.00
700	ITT CORP 051908	May 19 08	Jun 25 09	30,920.43	46,615.44	-15,695.01
800	MEDTRONIC INC 102606	Oct 26 06	Apr 23 09	23,751.39	39,066.00	-15,314.61
400	MEDTRONIC INC 111207	Nov 12 07	Apr 23 09	11,875.69	18,526.00	-6,650.31
1,000	NEWFIELD EXPL 111207	Nov 12 07	Jan 21 09	18,962.39	49,232.00	-30,269.61
400	ROCKWELL COLL	Aug 25 08	Sep 17 09	20,146.28	20,483.76	-337.48
300	TYCO ELECTRONICS 31606	Mar 16 06	Sep 4 09	6,890.48	9,316.19	-2,425.71
600	TYCO ELECTRONICS70907	Jul 9 07	Sep 4 09	13,780.98	23,482.00	-9,701.02
50	U S T NOTE 3.625 103109	Nov 15 07	Nov 1 09	50,000.00	50,258.05	-258.05
165	US BANCORP 080299	Aug 2 99	Mar 25 09	2,598.73	4,333.18	-1,734.45
1,035	US BANCORP 081400	Aug 14 00	Mar 25 09	16,301.16	14,881.21	1,419.95
25	US TREAS 4.00%6-15-09	Mar 23 05	Jun 15 09	25,000.00	24,835.16	164.84
700	UST INC 011106	Jan 6 06	Jan 6 09	48,650.00	28,809.20	19,840.80
600	WALTER INDS 30207	Mar 2 07	Jan 21 09	11,839.99	14,922.54	-3,082.55
1,200	XTO ENERGY 41603	Apr 16 03	Dec 11 09	49,992.99	11,015.82	38,977.17
	Total Long-term			533,266.32	565,092.09	-31,825.77
	TOTAL CAPITAL GAINS			691,767.52	762,655.69	-70,888.17

FORM 990-PF

GAIN OR (LOSS) FROM SALE OF ASSETS

STATEMENT 1

(A) DESCRIPTION OF PROPERTY (SEE SCHEDULE)			MANNER ACQUIRED PURCHASED	DATE ACQUIRED VARIOUS	DATE SOLD VARIOUS
	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.			
	158,501.	197,564.	0.	0.	<39,063.>

(A) DESCRIPTION OF PROPERTY (SEE SCHEDULE)			MANNER ACQUIRED PURCHASED	DATE ACQUIRED VARIOUS	DATE SOLD VARIOUS
	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.			
	533,266.	565,092.	0.	0.	<31,826.>

(A) DESCRIPTION OF PROPERTY CLASS ACTION SETTLEMENT			MANNER ACQUIRED PURCHASED	DATE ACQUIRED VARIOUS	DATE SOLD 09/09/09
	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS			
	1,210.	0.	0.	0.	1,210.

(A) DESCRIPTION OF PROPERTY		MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
800 SH ABBOTT LABS		DONATED	12/31/87	12/16/09

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
43,240.	43,232.	0.	0.	8.

(A) DESCRIPTION OF PROPERTY		MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
800 SH ABBOTT LABS		DONATED	05/25/70	12/16/09

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
43,240.	43,232.	0.	0.	8.

(A) DESCRIPTION OF PROPERTY		MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
500 SH INTEL CORP		DONATED	12/28/93	12/11/09

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
10,051.	8,605.	0.	0.	1,446.

CAPITAL GAINS DIVIDENDS FROM PART IV				0.
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TOTAL TO FORM 990-PF, PART I, LINE 6A				<68,217.>
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FORM 990-PF	INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS	STATEMENT	2
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SOURCE	AMOUNT
DIVIDENDS - DREYFUS GOVT CASH MT INSTL	36.
DIVIDENDS - GS FST GOVERNMENT FUND INSTL	111.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	147.

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	3
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
LESS PURCHASED INTEREST APPLEID	<1,155.>	0.	<1,155.>
PERSHING ADVISOR SOLUTIONS (DIVIDENDS)	19,460.	0.	19,460.
PERSHING ADVISOR SOLUTIONS (INTEREST)	18,890.	0.	18,890.
PERSHING ADVISOR SOLUTIONS (USG)	9,403.	0.	9,403.
TOTAL TO FM 990-PF, PART I, LN 4	46,598.	0.	46,598.

FORM 990-PF	ACCOUNTING FEES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	1,500.	1,500.		0.
TO FORM 990-PF, PG 1, LN 16B	1,500.	1,500.		0.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY FEE	11,266.	11,266.		0.
TO FORM 990-PF, PG 1, LN 16C	11,266.	11,266.		0.

FORM 990-PF

TAXES

STATEMENT

6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	209.	209.		0.
FEDERAL INCOME TAX - 2009	1,075.	0.		0.
TO FORM 990-PF, PG 1, LN 18	1,284.	209.		0.

FORM 990-PF

OTHER EXPENSES

STATEMENT

7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ILLINOIS ANNUAL FILING FEE	15.	15.		0.
MISCELLANEOUS	4.	4.		0.
TO FORM 990-PF, PG 1, LN 23	19.	19.		0.

FORM 990-PF

U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS

STATEMENT

8

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
GOVERNMENT SECURITIES	X		431,162.	442,655.
TOTAL U.S. GOVERNMENT OBLIGATIONS			431,162.	442,655.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			431,162.	442,655.

FORM 990-PF	CORPORATE STOCK	STATEMENT 9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SECURITIES	836,111.	997,073.
TOTAL TO FORM 990-PF, PART II, LINE 10B	836,111.	997,073.

FORM 990-PF	CORPORATE BONDS	STATEMENT 10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS	112,044.	129,078.
TOTAL TO FORM 990-PF, PART II, LINE 10C	112,044.	129,078.

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
FEDERAL EXCISE TAX DEPOSIT	10,752.	9,677.	9,677.
TO FORM 990-PF, PART II, LINE 15	10,752.	9,677.	9,677.

Additional Information		
	<u>This Period</u>	<u>Year-to-Date</u>
Securities Bought and Sold	\$32,480.59	\$27,817.54
Principal Payments	\$336.00	\$150,672.00

Customer Service Information

Contact Information		Customer Service Information	
Identification Number: TLA		Customer Service Telephone Number: (312) 621-0500	
HARRIS ASSOCIATES LP TAMMY ALFARO 2 N LASALLE ST. STE 500 CHICAGO IL 60602-3703		Web Site: www.harrisassoc.com	

<u>Quantity</u>	<u>Description</u>	<u>Price</u>	<u>Value</u>	<u>Interest</u>	<u>Annual Income</u>	<u>Yield</u>
Fixed Income 33.00% of Portfolio (In CUSIP Sequence)						
U.S. Treasury Securities						
25,000.00	UNITED STATES TREAS NOTES 5.000% 02/15/11 B/E DTD 02/15/01 1ST CPN DTE 08/15/01 CPN PMT SEMI ANNUAL Moody Rating AAA S & P Rating AAA Security Identifier: 9128276T4	104.8010	26,200.25		468.75	1,250.00 4.77%
25,000.00	UNITED STATES TREAS NOTES 5.000% 08/15/11 B/E DTD 08/15/01 1ST CPN DTE 02/15/02 CPN PMT SEMI ANNUAL Moody Rating AAA S & P Rating AAA Security Identifier 9128277B2	106.6250	26,556.25		468.75	1,250.00 4.68%
25,000.00	UNITED STATES TREAS NOTE 4.875% 02/15/12 B/E DTD 02/15/02 1ST CPN DTE 08/15/02 CPN PMT SEMI ANNUAL Moody Rating AAA S & P Rating AAA Security Identifier 9128277L0	107.6020	26,900.50		457.03	1,218.75 4.53%

Brokerage **Account Statement**

Statement Period: 12/01/2009 - 12/31/2009

Portfolio Holdings (continued)

Quantity	Description	Market Price	Market Value	Accrued Interest	Estimated Annual Income	Estimated Yield
Fixed Income (continued)						
25,000.000	U.S. Treasury Securities (continued)					
UNITED STATES TREAS NOTES						
	4.375% 12/15/10 B/E DTD 12/15/05					
	1ST CPN DTE 06/15/06 CPN PMT SEMI ANNUAL					
	Moody Rating AAA S & P Rating AAA					
	Security Identifier: 912828EQ9					
50,000.000	UNITED STATES TREAS NT\$	106.4060	53,203.00	326.48	1,937.50	3.64%
	3.875% 10/31/12 B/E DTD 10/31/07					
	1ST CPN DTE 04/30/08 CPN PMT SEMI ANNUAL					
	Moody Rating AAA S & P Rating AAA					
	Security Identifier: 912828HG8					
50,000.000	UNITED STATES TREAS NT\$ INFLATION INDEXED	100.2030	50,224.75	316.50	687.50	1.37%
	1.375% 07/15/18 B/E					
	DTD 07/15/08					
	Moody Rating AAA S & P Rating AAA					
	Security Identifier: 912828EI Factor: 1.00246000					
Total U.S. Treasury Securities: 200,000.000				\$209,099.75	\$2,085.59	\$7,437.50
U.S. Government Bonds						
25,000.000	FEDERAL HOME LN BKS BDS SER 33-2011	105.9060	26,476.50	76.56	1,312.50	4.95%
	5.250% 06/01/11 B/E DTD 05/03/06					
	1ST CPN DTE 12/10/06 CPN PMT SEMI ANNUAL					
	Moody Rating AAA S & P Rating AAA					
	Security Identifier: 3133XFJ3					
50,000.000	FEDERAL FARM CR BKS CONS SYSTEMWIDE BDS	108.6250	54,312.50	125.35	2,375.00	4.37%
	4.750% 12/12/13 B/E DTD 12/12/03					
	1ST CPN DTE 06/12/04 CPN PMT SEMI ANNUAL					
	Moody Rating AAA S & P Rating AAA					
	Security Identifier: 31331TMU2					
50,000.000	FEDERAL FARM CR BKS CONS SYSTEMWIDE BDS	109.5940	54,797.00	252.50	2,525.00	4.60%
	CONS BDS 5.050% 11/25/13 B/E					
	DTD 10/25/06 1ST CPN DTE 11/25/06					
	Moody Rating AAA S & P Rating AAA					
	Security Identifier: 31331XBS0					

Portfolio Holdings (continued)

Quantity	Description	Market Price	Market Value	Accrued Interest	Estimated Annual Income	Estimated Yield
Fixed Income (continued)						
50,000.000	U.S. Government Bonds (continued) FEDERAL NATL MTG ASSN MEDIUM TERM NTS WITH 10 DAY CALL 4.0000% 10/22/21 B/E DTD 10/22/09 CALLABLE 10/22/10 Moody Rating AAA S & P Rating AAA Security Identifier 5136F1CH8	95.9380	47,969.00	383.33	2,000.00	4.16%
50,000.000	FEDERAL NATL MTG ASSN 4.550% 01/04/13 B/E DTD 01/04/08 CALLED 01/04/10 1ST CPN DTE 07/04/08 Moody Rating AAA S & P Rating AAA Security Identifier 5139BAKN1	100.0000	50,000.00	1,118.54	2,275.00	4.55%
Total U.S. Government Bonds: 225,000.000				\$233,555.00	\$1,956.28	\$10,487.50
25,000.000	Corporate Bonds BROADRIDGE FINL SOLUTIONS INC SR NT 6.125% 06/01/17 B/E DTD 05/29/07 CALLABLE 12/31/09 @ 100.000 Moody Rating BAA2 S & P Rating BBB- Security Identifier 11133TAAL	97.2640	24,316.00	127.60	1,531.25	6.29%
25,000.000	MARTIN MARIETTA MTL INC SR NT 6.600% 04/15/18 B/E DTD 04/21/08 CALLABLE 1ST CPN DTE 10/15/08 Moody Rating BAA3 S & P Rating BBB+ Security Identifier 573284KQ	102.9380	25,734.50	348.33	1,650.00	6.41%
25,000.000	PARTNER FIN A LLC GTD SR NT 6.875% 06/01/18 B/E DTD 05/27/08 CALLABLE 1ST CPN DTE 12/01/08 Moody Rating A2 S & P Rating A Security Identifier 70212FAA1	104.7410	26,185.25	143.23	1,718.75	6.56%
25,000.000	XEROX CORP SR NT 7.125% 06/15/10 B/E DTD 06/25/03 CALLABLE 1ST CPN DTE 12/15/03 CPN PMT SEMI ANNUAL Moody Rating BAA2 S & P Rating BBB Security Identifier 984121BL6	102.2860	25,571.50	79.17	1,781.25	6.96%
25,000.000	YUM BRANDS INC SR NT 6.250% 03/15/18 B/E DTD 10/19/07 CALLABLE 1ST CPN DTE 03/15/08 CPN PMT SEMI ANNUAL Moody Rating BAA3 S & P Rating BBB- Security Identifier 988498AC5	109.0810	27,270.25	460.07	1,562.50	5.72%
Total Corporate Bonds: 125,000.000				\$129,077.50	\$1,158.40	\$8,243.75
Total Fixed Income: 550,000.000				\$571,732.25	\$5,200.27	\$26,168.75



Brokerage

Account Statement

Statement Period: 12/01/2009 - 12/31/2009

Portfolio Holdings (continued)

Quantity	Description	Market Price	Market Value	Estimated Annual Income	Estimated Yield
Equities 58.00% of Portfolio					
1,000,000	COVIDIEN PLC SHS ISIN#IE0083QN1M21 Dividend Option: Cash Security Identifier: COV	47.8900	47,890.00	720.00	1.50%
2,100,000	TYCO ELECTRONICS LTD SWITZERLAND SHS ISIN#CH1010293182 Dividend Option: Cash Security Identifier: TEL	24.5500	51,555.00	1,344.00	2.60%
500,000	APACHE CORP Dividend Option: Cash Security Identifier: APA	103.1700	51,585.00	300.00	0.58%
3,000,000	APPLIED MATERIALS INC Dividend Option: Cash Security Identifier: AMAT	13.9400	41,820.00	720.00	1.72%
1,300,000	AVON PRODS INC COM Dividend Option: Cash Security Identifier: AVP	31.5000	40,950.00	1,092.00	2.66%
2,200,000	BLOCK H & R INC Dividend Option: Cash Security Identifier: HRB	22.6200	49,764.00	1,320.00	2.65%
1,400,000	CVS CAREMARK CORP Dividend Option: Cash Security Identifier: CVS	32.2100	45,094.00	427.00	0.94%
700,000	DIAGEO PLC SPONSORED ADR NEW Dividend Option: Cash Security Identifier: DEO	69.4100	48,587.00	1,585.34	3.26%
1,700,000	DIEBOLD INC Dividend Option: Cash Security Identifier: DBD	28.4500	48,365.00	1,768.00	3.65%
800,000	GENERAL DYNAMICS CORP COM Dividend Option: Cash Security Identifier: GD	68.1700	54,536.00	1,216.00	2.22%
2,700,000	INTEL CORP COM Dividend Option: Cash Security Identifier: INTC	20.4000	55,080.00	1,512.00	2.74%

Account Number AUG-721072

PAR-02-ROLL

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Clearing Through Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation

Member FINRA, NYSE, SIPC



A0009127CSF106DP



Portfolio Holdings (continued)

Quantity	Description	Market Price	Market Value	Estimated Annual Income	Estimated Yield
Equities (continued)					
Common Stocks (continued)					
800.000	LABORATORY CORP AMER HLDGS COM NEW Dividend Option: Cash Security Identifier: LH	74.8400	59,872.00		
1,600.000	MICROSOFT CORP COM Dividend Option: Cash Security Identifier: MSFT	30.4900	48,784.00	832.00	1.70%
1,000.000	MOHAWK INDUSTRIES INC Dividend Option: Cash Security Identifier: MHK	47.6000	47,600.00		
1,125.000	NESTLE SA SPONSORED ADS REGISTERED Dividend Option: Cash Security Identifier: NSRCY	48.5610	54,631.13	904.52	1.65%
2,000.000	OMNICARE INC COM Dividend Option: Cash Security Identifier: NSRCY	24.1800	48,360.00	180.00	0.37%
1,900.000	ORACLE CORP COM Dividend Option: Cash Security Identifier: ORCL	24.5400	46,626.00	380.00	0.81%
900.000	ROCKWELL COLLINS INC COM Dividend Option: Cash Security Identifier: COL	55.3600	49,824.00	864.00	1.73%
1,500.000	SNAP ON TOOLS CORP COMMON STOCK Dividend Option: Cash Security Identifier: SNA	42.2600	63,390.00	1,800.00	2.83%
800.000	WAL MART STORES INC Dividend Option: Cash Security Identifier: WMT	53.4500	42,760.00	872.00	2.03%
Total Common Stocks			\$997,073.13	\$17,836.86	
Total Equities			\$997,073.13	\$17,836.86	

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 12

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
ADLER PLANETARIUM 1300 S LAKE SHORE DR CHICAGO, IL 60605	SUPPORT	PUBLIC	13,100.
AUDITORIUM THEATRE 50 E CONGRESS PKWY CHICAGO, IL 60605	SUPPORT	PUBLIC	1,000.
BETWEEN FRIENDS P.O. BOX 608548 CHICAGO, IL 60660	SUPPORT	PUBLIC	1,000.
CHICAGO HISTORICAL SOCIETY 1601 N CLARK ST CHICAGO, IL 60614	SUPPORT	PUBLIC	850.
CHICAGO OPERA THEATRE 70 E LAKE ST, STE 1300 CHICAGO, IL 60601	SUPPORT	PUBLIC	35,000.
CHICAGO SYMPHONY ORCHESTRA 220 S MICHIGAN AVE CHICAGO, IL 60604	SUPPORT	PUBLIC	16,666.
GOODMAN THEATRE 200 S COLUMBUS DR CHICAGO, IL 60603	SUPPORT	PUBLIC	16,233.
HIERONYMUS MUELLER MUSEUM 480 W ELDORADO ST DECATUR, IL 62522	SUPPORT	PUBLIC	1,000.

THE BILL AND ORLI STALEY FOUNDATION C/O

36-3925847

HUBBARD STREET DANCE CHICAGO 1147 W JACKSON BLVD CHICAGO, IL SUPPORT 60607	PUBLIC	10,000.
MUSEUM OF SCIENCE AND INDUSTRY 57TH ST AND LAKE SHORE DR CHICAGO, IL 60637	SUPPORT	PUBLIC 1,700.
LANDMARKS ILLINOIS 53 W JACKSON BLVD #1315 CHICAGO, IL 60604	SUPPORT	PUBLIC 1,500.
LYRIC OPERA OF CHICAGO 20 N WACKER DR CHICAGO, IL 60606	SUPPORT	PUBLIC 30,000.
RIVER NORTH DANCE CO. 1016 N DEARBORN CHICAGO, IL 60610	SUPPORT	PUBLIC 10,000.
ROGERS PARK MONTESSORI SCHOOL 1800 W BALMORAL AVE CHICAGO, IL SUPPORT 60640	PUBLIC	10,000.
SOLTI FOUNDATION 1490 CHICAGO AVE EVANSTON, IL SUPPORT 60201	PUBLIC	500.
S.O.A.R. 244 E. PEARSON ST #101 CHICAGO, IL SUPPORT IL 60611	PUBLIC	1,000.
JOFFREY BALLET 10 E. RANDOLPH ST CHICAGO, IL SUPPORT 60601	PUBLIC	10,000.
STEPHENWOLF THEATRE CO. 1650 N HALSTED ST CHICAGO, IL SUPPORT 60614	PUBLIC	20,000.

THE BILL AND ORLI STALEY FOUNDATION C/O

36-3925847

VICTORY GARDEN THEATRE
2257 N LINCOLN AVE CHICAGO, IL SUPPORT
60614

PUBLIC

10,000.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

189,549.

Application for Extension of Time To File an
Exempt Organization Return

► 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	Name of Exempt Organization THE BILL AND ORLI STALEY FOUNDATION C/O LYNNE KAPLAN	Employer identification number 36-3925847
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. 9450 W BRYN MAWR AVE, NO. 310	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. ROSEMONT, IL 60018-5272	

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 (sec. 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

GROSS KAPLAN & OSIOL, LLC

- The books are in the care of ► **9450 W BRYN MAWR AVE, SUITE 310 - CHICAGO, IL 60018-5272**
Telephone No. ► **847-928-9820** FAX No. ►
- 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 **AUGUST 15, 2010**, to file the exempt organization return for the organization named above. The extension

is for the organization's return for:

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

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	\$ 1,075.
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	\$ 10,752.
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	\$ 0.

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.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form 8868 (Rev 4-2009)