Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2009

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

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

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

Name of foundation: Colonial Foundation, Inc.

Number and street (or P O box number if mail is not delivered to street address): P.O. Box 576 Room/suite

City or town, state, and ZIP code: Savannah, GA 31402-0576

A Employer identification number: 58-1693323

B Telephone number: (912)236-1331

C If exemption application is pending, check here ☐

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

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

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 7,814,109.

J Accounting method: ☐ Cash [X] Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc, received	3,200,394.			
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	110,270.	110,270.	110,270.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	19,045.			
	b Gross sales price for all assets on line 6a 365,782.				
	7 Capital gain net income (from Part IV, line 2)		19,045.		
	8 Net short-term capital gain			N/A	
	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	3,329,709.	129,315.	110,270.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees				
	c Other professional fees Stmt 1	31,227.	31,227.	0.	0.
	17 Interest				
	18 Taxes Stmt 2	981.	0.	0.	0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses Stmt 3	30.	0.	0.	0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	32,238.	31,227.	0.	0.
	25 Contributions, gifts, grants paid	1,269,481.			1,269,481.
	26 **Total expenses and disbursements.** Add lines 24 and 25	1,301,719.	31,227.	0.	1,269,481.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	2,027,990.			
	b **Net investment income** (if negative, enter -0-)		98,088.		
	c **Adjusted net income** (if negative, enter -0-)			110,270.	

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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
Assets 1	Cash - non-interest-bearing	16,594.	116,249.	116,249.
2	Savings and temporary cash investments		1,357,116.	1,357,116.
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	995.	14.	
10a	Investments - U.S. and state government obligations	85,216.		
b	Investments - corporate stock Stmt 4	5,381,734.	6,039,150.	6,340,744.
c	Investments - corporate bonds			
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 ▶)			
16	**Total assets** (to be completed by all filers)	5,484,539.	7,512,529.	7,814,109.
Liabilities 17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable			
22	Other liabilities (describe ▶)			
23	**Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [X] and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds	5,484,539.	7,512,529.	
28	Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
29	Retained earnings, accumulated income, endowment, or other funds	0.	0.	
30	**Total net assets or fund balances**	5,484,539.	7,512,529.	
31	**Total liabilities and net assets/fund balances**	5,484,539.	7,512,529.	

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	5,484,539.
2	Enter amount from Part I, line 27a	2	2,027,990.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	7,512,529.
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	7,512,529.

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	See Attached	P		
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	365,782.		346,737.	19,045.
b				
c				
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				19,045.
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } **2** 19,045.

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** 19,045.

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	956,434.	6,875,930.	.139099
2007	947,906.	7,012,681.	.135170
2006	650,322.	5,608,223.	.115959
2005	744,370.	4,947,063.	.150467
2004	601,745.	4,711,951.	.127706

2	**Total** of line 1, column (d)	2	.668401
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	.133680
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	4,913,854.
5	Multiply line 4 by line 3	5	656,884.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	981.
7	Add lines 5 and 6	7	657,865.
8	Enter qualifying distributions from Part XII, line 4	8	1,269,481.

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 ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ______ (attach copy of letter if necessary-see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b			1	981.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0.
3 Add lines 1 and 2			3	981.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5 **Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	981.
6 Credits/Payments				
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	995.		
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	995.
8 Enter any **penalty** for underpayment of estimated tax Check here [X] 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	14.
11 Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶ 14. **Refunded** ▶			11	0.

Part VII-A Statements Regarding Activities

		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
If the answer is "Yes" to **1a** *or* **1b**, *attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ 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? *If "Yes," attach a detailed description of the activities.*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ GA			
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)*

		Line	Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ F. A. Brown Telephone no ▶912-236-1331

Located at ▶101 North Lathrop Ave., Savannah, GA ZIP+4 ▶31401

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.

			Line	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?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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?	☐ Yes ☒ 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	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ______, ______, ______, ______				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?		4b		X

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

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ 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 **5b**

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** X

If "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
R. H. Demere, Jr. 101 N. Lathrop Ave. Savannah, GA 31401	President; Secretary 0.00	0.	0.	0.
F. A. Brown 101 N. Lathrop Ave. Savannah, GA 31401	V. P. Finance; Treasurer 0.00	0.	0.	0.
W. A. Baker, Jr. 101 N. Lathrop Ave. Savannah, GA 31401	Vice President 0.00	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 Contributed financial support to organizations that were organized as non-profit organizations under Sec. 501(c)3.	0.
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	
All other program-related investments See instructions.	
3	
Total. Add lines 1 through 3 ▶	0.

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	4,966,674.
b	Average of monthly cash balances	1b	22,010.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	4,988,684.
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	4,988,684.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	74,830.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	4,913,854.
6	**Minimum investment return.** Enter 5% of line 5	6	245,693.

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	245,693.
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a: 981.		
b	Income tax for 2009. (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	981.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	244,712.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	244,712.
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	244,712.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,269,481.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	1,269,481.
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	5	981.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,268,500.

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				244,712.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years: ____ , ____ , ____		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004 — 376,619.				
b From 2005 — 499,947.				
c From 2006 — 370,915.				
d From 2007 — 598,854.				
e From 2008 — 614,647.				
f Total of lines 3a through e	2,460,982.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 1,269,481.				
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				244,712.
e Remaining amount distributed out of corpus	1,024,769.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	3,485,751.			
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	376,619.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	3,109,132.			
10 Analysis of line 9:				
a Excess from 2005 — 499,947.				
b Excess from 2006 — 370,915.				
c Excess from 2007 — 598,854.				
d Excess from 2008 — 614,647.				
e Excess from 2009 — 1,024,769.				

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)

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
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.

F. A. Brown, 912-236-1331
101 North Lathrop Avenue, Savannah, GA 31415

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

Letter and copy of IRS letter granting tax exempt status under 501(c)(3)

c Any submission deadlines.

None

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

None

Part XV Supplementary Information (continued)

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

Recipient: Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Please See Attached				1,269,481.
Total			▶ 3a	1,269,481.
b Approved for future payment				
None				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
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	110,270.	
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					19,045.
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.		110,270.	19,045.

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 129,315.

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

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

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

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

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

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting 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

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

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

b If "Yes," complete the following schedule

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

Sign Here

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

Signature of officer or trustee: [signature] Date: 4-09-10 Title: VP & Treasurer

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ☐	Preparer's identifying number
Firm's name (or yours if self-employed), address, and ZIP code		EIN	
		Phone no.	

923622 02-02-10

Form 990-PF Other Professional Fees Statement 1

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment fees	31,227.	31,227.	0.	0.
To Form 990-PF, Pg 1, ln 16c	31,227.	31,227.	0.	0.

Form 990-PF Taxes Statement 2

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise Tax	981.	0.	0.	0.
To Form 990-PF, Pg 1, ln 18	981.	0.	0.	0.

Form 990-PF Other Expenses Statement 3

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Miscellaneous	30.	0.	0.	0.
To Form 990-PF, Pg 1, ln 23	30.	0.	0.	0.

Form 990-PF Corporate Stock Statement 4

Description	Book Value	Fair Market Value
	6,039,150.	6,340,744.
Total to Form 990-PF, Part II, line 10b	6,039,150.	6,340,744.

ORGANIZATION	Reference	Contribution Amount	Expense Amount	Date	Check
Two Hundred Club	Membership	$500.00		01/09/09	2311
St. Joseph's/Candler	Candler Clays	$1,250.00		01/09/09	2312
MUSC Children's Hospital Fund	Golf Tournament	$1,000 00		01/09/09	2313
St Vincent's Academy	Matching Gift	$500.00		01/09/09	2314
Benedictine Military School	Matching Gift	$500.00		01/09/09	2315
Saint Mary's Home	Matching Gift	$1,000.00		01/09/09	2316
American Red Cross	Matching Gift	$100.00		01/09/09	2317
Telfair Museum	Membership	$1,000.00		01/27/09	2318
Savannah Garden Expo	Expo Sponsor	$500.00		01/27/09	2319
Rebuilding Together	General Fund	$2,000 00		02/05/09	2321
Georgia Sheriffs Youth Homes	Poker Run	$250.00		02/05/09	2322
Girl Scouts	Luncheon	$1,000 00		02/25/09	2323
Benedictine Military School	Auction	$1,000 00		02/27/09	2324
Southeastern Burn Foundation	General Fund	$1,000.00		03/02/09	2326
Leukemia & Lymphoma Society	Regatta	$5,000.00		03/02/09	2327
Young Life of Savannah	General Fund	$500.00		03/02/09	2328
Joslin Diabetes Center	Matching Gift	$100 00		03/02/09	2329
Dixie Youth	Team Sponsorship	$350.00		03/04/09	2330
Abilities Unlimited, Inc.	Matching Gift	$1,000 00		03/06/09	2331
St. Peter the Apostle School	Auction	$500.00		03/19/09	2332
March of Dimes	Golf Tournament	$200.00		03/19/09	2333
St Vincent's Academy	Raffle Tickets	$1,550 00		03/19/09	2334
Chatham Savannah Citizen Advocacy	General Fund	$1,500.00		03/19/09	2335
SCORE	General Fund	$250.00		03/19/09	2336
Two Hundred Club	Savannah Mile	$10,000 00		03/19/09	2337
American Cancer Society	Relay for Life	$500 00		03/27/09	2338
Memorial Day School	Auction	$500.00		04/03/09	2339
The Tower of Hope	requested by CEI	$1,000.00		04/09/09	2340
Muscular Distrophy	Frank Brown	$500.00		04/30/09	2341
Savannah Red Cross	Gourmet Soiree	$500.00		05/04/09	2342
Froebel Circle	Summer Camp	$500.00		05/04/09	2343
National Multiple Sclerosis	req by B. Kelly	$100.00		05/04/09	2344
Coastal Heritage Society	Membership	$250.00		05/04/09	2345
Telfair Musuem of Art	Evening in Monte Carlo	$1,000.00		05/04/09	2346
St Andrew's School	Annual Fund	$7,500.00		05/04/09	2347
Voided Check					2348

Muscular Dystrophy Association	HOG Dance	$250 00		05/26/09	2350
Communities in Schools		$1,000.00		06/25/09	2351
Boy Scouts of America		$1,000.00		06/25/09	2352
Porter-Gaud School	Ben Burris Fund	$1,000.00		06/25/09	2353
Leukemia & Lymphoma Society	Golf Classic	$750.00		06/25/09	2354
Methodist Mission Home	Matching Gift	$500.00		06/25/09	2355
Mighty Eighth Air Force Museum	Art Gallery	$50,000.00		07/20/09	2356
Voided Check					2357
Ronald McDonald House	General Fund	$500.00		07/20/09	2358
Historic Savannah Foundation	Gala, Expo, Member	$5,000.00		07/20/09	2359
Society of the Cincannati		$50,000.00		07/20/09	2360
Voided Check					2361
Dolphin Project	Matching Gift	$185.00		07/28/09	2362
Georgia Tech Foundation	Matching Gift	$100.00		08/10/09	2365
Greater Savannah Sports Council	Banquet	$250.00		08/10/09	2366
Mighty Eighth Air Force Museum	Korean War Memorial	$2,211 00		08/13/09	2367
Appalachian Trail Conservancy	Matching Gift	$100.00		09/22/09	2368
Methodist Mission Home	Matching Gift	$500 00		09/22/09	2369
Junior Achievement	Hall of Fame	$10,000.00		10/23/09	2371
Team Fisher House	Brian Kelly Match	$3,000 00		10/23/09	2372
American Cancer Society	Pledge	$10,000.00		12/15/09	2374
America's Second Harvest	Pledge	$50,000.00		12/15/09	2375
America's Second Harvest	Operating Fund	$1,000.00		12/15/09	2376
Coastal Heritage Society	Children's Museum	$100,000.00		12/15/09	2377
Ga Council on Economic Education	Pledge	$1,000.00		12/15/09	2379
Ga Tech Foundation	Pledge	$20,000.00		12/15/09	2380
Hancock Day School	Pledge	$50,000.00		12/15/09	2381
Royce Learning Center	Pledge	$20,000.00		12/15/09	2382
Royce Learning Center	Annual Fund	$1,000.00		12/15/09	2383
Salvation Army	Pledge	$50,000.00		12/15/09	2384
Voided Check					2385
Savannah Technical College	Pledge	$40,000.00		12/15/09	2386
Savannah Country Day School	Pledge	$100,000.00		12/15/09	2387
Savannah Country Day School	General Fund	$10,000.00		12/15/09	2388
St Andrew's School	Pledge	$100,000.00		12/15/09	2389
Telfair Museum of Art	Pledge	$200,000.00		12/15/09	2390
United Way of Coastal Empire	Pledge	$30,000.00		12/15/09	2391
Voided Check					2392
YMCA	Pledge	$50,000.00		12/15/09	2393
YMCA	Priceless Gifts	$5,000.00		12/15/09	2394
AWOL, Inc.	General Fund	$1,000.00		12/15/09	2396
Savannah Science Museum	Caretta Research	$1,000.00		12/15/09	2397

Ghatham-Savannah Citizen Advocacy	General Fund	$1,500 00		12/15/09	2398
Coastal Heritage Society	Membership	$250.00		12/15/09	2399
Georgia Conservancy	Membership	$250.00		12/15/09	2400
Ga Foundation for Ind. Colleges	General Fund	$3,000.00		12/15/09	2401
Georgia Historical Society	Georgia Days	$25,000 00		12/15/09	2402
Voided Check					2403
Ga Public Broadcasting	Membership	$1,000.00		12/15/09	2404
Davenport House	General Fund	$500 00		12/15/09	2405
Matthew Reardon Center	Essential Programs	$5,000 00		12/15/09	2406
Medbank Foundation	2010 Fundraiser	$5,000.00		12/15/09	2407
Nature Conservancy	Membership	$2,500 00		12/15/09	2408
SAFE Shelter	General Fund	$1,000.00		12/15/09	2409
Savannah Children's Choir	2010 concert	$1,500.00		12/15/09	2410
Savannah Music Festival	2010 Festival	$5,000.00		12/15/09	2411
SCORE	General Fund	$250.00		12/15/09	2412
Southeastern Legal Foundation	General Fund	$1,000.00		12/15/09	2413
United Way of Coastal Empire		$191,500.00		12/15/09	2414
Salvation Army	General Fund	$2,000.00		12/15/09	2415
Savannah Chamber of Commerce	Bridge Run	$10,000.00		12/15/09	2416
Savannah Country Day School	Matching Gift	$300.00		12/15/09	2417
Empty Stocking Fund	1292.63 match	$1,685.26		12/17/09	2418
		$1,269,481.26			

Schedule of Realized Gains and Losses

2009 Tax Year

Prepared For:
2459-9760
COLONIAL FOUNDATION INC
ATTN FRANK A BROWN COL OIL IND
P O BOX 576
SAVANNAH GA 31402

Quantity	Name	Security	Open Date	Cost Amount	Adjusted Cost Amount	Trade Price	Close Date	Close Amt	Close Price	Realized	% Gain or Loss
Long											
535	BAXTER INTL INC	BAX	04/22/2005	19,659 22		36 6449	03/27/2009	26,984 43	50 6310	7,325 21	37 26
300	BAXTER INTL INC	BAX	04/22/2005	11,023 86		36 6449	08/28/2009	16,903 86	56 6910	5,880 00	53 34
297	BECTON DICKINSON COMPANY	BDX	03/01/2005	17,844 74		59 9812	03/27/2009	20,135 65	68 1440	2,290 91	12 84
400	COLGATEPALMOLIVE COMPANY	CL	08/03/2005	21,237 19		52 9900	04/29/2009	23,810 78	59 7860	2,573 59	12 12
135	EXXON MOBIL CORP	XOM	09/04/2003	5,198 69		38 2000	02/20/2009	9,583 40	71 3319	4,384 71	84 34
165	EXXON MOBIL CORP	XOM	12/10/2003	6,233 43		37 6750	02/20/2009	11,713 05	71 3319	5,479 62	87 91
100	GOLDMAN SACHS GROUP INC	GS	06/25/2004	9,475 89		94 5600	10/27/2009	17,877 13	179 8060	8,401 24	88 66
43	GOLDMAN SACHS GROUP INC	GS	06/25/2004	4,074 62		94 5600	11/06/2009	7,344 29	171 4987	3,269 67	80 24
107	GOLDMAN SACHS GROUP INC	GS	12/20/2004	11,194 01		104 2280	11/06/2009	18,275 35	171 4987	7,081 34	63 26
500	JPMORGAN CHASE & COMPANY	JPM	03/03/2005	18,536 19		36 9711	11/06/2009	21,624 94	43 4600	3,088 75	16 66
300	NOVO NORDISK AS ADR	NVO	01/11/2006	8,483 30		28 2268	02/20/2009	14,934 11	50 1240	6,450 81	76 04
200	NOVO NORDISK AS ADR	NVO	01/11/2006	5,655 53		28 2268	08/28/2009	12,128 70	61 1601	6,473 17	114 46
300	NOVO NORDISK AS ADR	NVO	01/11/2006	8,483 30		28 2268	10/27/2009	19,302 30	64 6860	10,819.00	127 53
532	UNITED PARCEL SVC INC B	UPS	07/26/2005	39,131 47		73 4507	05/22/2009	26,415 83	49 7566	-12,715 64	-32 49
125	UNITED PARCEL SVC INC B	UPS	07/27/2005	9,246 44		73 5515	05/22/2009	6,206 72	49 7566	-3,039 72	-32 87
147	UNITED PARCEL SVC INC B	UPS	08/02/2005	10,807 80		73 1653	05/22/2009	7,299 11	49 7566	-3,508 69	-32 46
124	UNITED PARCEL SVC INC B	UPS	08/03/2005	9,199 35		73 7649	05/22/2009	6,157 07	49 7566	-3,042 28	-33 07
1,072	UNITED PARCEL SVC INC B	UPS	12/23/2005	82,778 59		77 1165	05/22/2009	53,228 91	49 7566	-29,549 68	-35 70
300	WAL-MART STORES INC	WMT	01/06/2005	16,157 72		53 7572	02/20/2009	14,966 51	50 2320	-1,191 21	-7 37
300	WAL-MART STORES INC	WMT	01/06/2005	16,157 72		53 7572	03/27/2009	15,719 51	52 7420	-438 21	-2 71
300	WAL-MART STORES INC	WMT	01/06/2005	16,157 71		53 7572	08/28/2009	15,170 20	50 9120	-987 51	-6 11
				346,736.77	0.00			365,781.85		19,045.08	

Schedule of Realized Gains and Losses

2009 Tax Year

Wednesday, February 03, 2010
SV60 DEAN/LANE

Prepared For:
2459-9760
COLONIAL FOUNDATION INC

Quantity	Name	Security	Open Date	Cost Amount	Adjusted Cost Amount	Trade Price	Close Date	Close Amt	Close Price	Realized	% Gain or Loss
Report Summary				346,736 77	0 00			365,781.85		19,045.08	

Realized Gains or Losses

Long Term	19,045 08

This report is a service from your Investment Executive, not a substitute for your account statements and confirmations This report is prepared as of trade date rather than settlement date and may be prepared on a different date than your statement This report uses information from sources we believe are reliable, but we cannot guarantee the accuracy of this information or the reliability of these sources If you find discrepancies in this report, please contact your Investment Executive.
*Prices for Independently Valued Direct Investments cannot be displayed on this report and are not included in the portfolio value shown Refer to your monthly statement or contact your Investment Executive for further information