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Form **990-PF**

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

OMB No 1545-0052

**2009**

Department of the Treasury  
Internal Revenue Service

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

For calendar year 2009, or tax year beginning

, and ending

☒ Check all that apply

☐ Initial return

☐ Initial return of a former public charity

☐ Final return

☐ Amended return

☐ Address change

☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation <b>HERBERT A. TEMPLETON FOUNDATION</b>		A Employer identification number <b>93-0505586</b>
	Number and street (or P O box number if mail is not delivered to street address) Room/suite <b>1717 SW PARK AVENUE, SUITE 1302</b>		B Telephone number (see page 10 of the instructions) <b>503-223-0036</b>
	City or town, state, and ZIP code <b>PORTLAND OR 97201-3267</b>		C If exemption application is pending, check here <input type="checkbox"/>
			D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) <b>\$ 18,270,157</b> (Part I, column (d) must be on cash basis)		J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>				
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	25	25		
4 Dividends and interest from securities	653,026	637,814		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	-1,467,807			
b Gross sales price for all assets on line 6a	7,849,851			
7 Capital gain net income (from Part IV, line 2)		0		
8 Net short-term capital gain			0	
9 Income modifications				
10a Gross sales less returns & allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule) <b>STMT 1</b>	1,012			
12 Total. Add lines 1 through 11	-813,744	637,839	0	
<b>Operating and Administrative Expenses</b>				
13 Compensation of officers, directors, trustees, etc	38,000			38,000
14 Other employee salaries and wages	17,741			17,741
15 Pension plans, employee benefits				
16a Legal fees (attach schedule) <b>SEE STMT 2</b>	2,425	1,212		1,213
b Accounting fees (attach schedule) <b>STMT 3</b>	7,540	3,770		3,770
c Other professional fees (attach schedule) <b>STMT 4</b>	50,806	50,806		
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions) <b>STMT 5</b>	5,791	3,795		6,144
19 Depreciation (attach schedule) and depletion <b>STMT 6</b>	66			
20 Occupancy	24,717			24,717
21 Travel, conferences, and meetings				
22 Printing and publications	799			799
23 Other expenses (att sch) <b>STMT 7</b>	1,070			1,070
24 Total operating and administrative expenses. Add lines 13 through 23	148,955	59,583		93,454
25 Contributions, gifts, grants paid	786,139			786,139
26 Total expenses and disbursements. Add lines 24 and 25	935,094	59,583	0	879,593
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	-1,748,838			
b Net investment income (if negative, enter -0-)		578,256		
c Adjusted net income (if negative, enter -0-)			0	

SCANNED MAY 18 2010 Operating and Administrative Expenses

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**Part II Balance Sheets**

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

						Beginning of year	End of year	
						(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1	Cash—non-interest-bearing				22,694	28,150	28,150
	2	Savings and temporary cash investments				1,502,635	2,667,643	2,667,643
	3	Accounts receivable ▶						
		Less allowance for doubtful accounts ▶						
	4	Pledges receivable ▶						
		Less allowance for doubtful accounts ▶						
	5	Grants receivable						
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)						
	7	Other notes and loans receivable (att schedule) ▶						
		Less allowance for doubtful accounts ▶						
	8	Inventories for sale or use						
	9	Prepaid expenses and deferred charges						
	10a	Investments—U S and state government obligations (attach schedule)						
	b	Investments—corporate stock (attach schedule) <b>SEE STMT 8</b>				14,847,929	13,339,436	13,255,680
	c	Investments—corporate bonds (attach schedule) <b>SEE STMT 9</b>				3,665,745	2,253,171	2,310,991
	11	Investments—land, buildings, and equipment basis ▶						
<b>Liabilities</b>		Less accumulated depreciation (attach sch ) ▶						
	12	Investments—mortgage loans						
	13	Investments—other (attach schedule)						
	14	Land, buildings, and equipment basis ▶ <b>7,693</b>						
		Less accumulated depreciation (attach sch ) ▶ <b>STMT 10</b> <b>7,398</b>				206	295	7,693
	15	Other assets (describe ▶ )						
	16	<b>Total assets</b> (to be completed by all filers—see the instructions Also, see page 1, item I)				20,039,209	18,288,695	18,270,157
	17	Accounts payable and accrued expenses						
	18	Grants payable						
	19	Deferred revenue						
<b>Net Assets or Fund Balances</b>	20	Loans from officers, directors, trustees, and other disqualified persons						
	21	Mortgages and other notes payable (attach schedule)						
	22	Other liabilities (describe ▶ )						
	23	<b>Total liabilities</b> (add lines 17 through 22)				0	0	
		<b>Foundations that follow SFAS 117, check here ▶</b> <input type="checkbox"/>						
		<b>and complete lines 24 through 26 and lines 30 and 31.</b>						
	24	Unrestricted						
	25	Temporarily restricted						
	26	Permanently restricted						
		<b>Foundations that do not follow SFAS 117, check here ▶</b> <input checked="" type="checkbox"/>						
		<b>and complete lines 27 through 31.</b>						
<b>Net Assets or Fund Balances</b>	27	Capital stock, trust principal, or current funds				20,039,209	18,288,695	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund						
	29	Retained earnings, accumulated income, endowment, or other funds						
	30	<b>Total net assets or fund balances</b> (see page 17 of the instructions)				20,039,209	18,288,695	
	31	<b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions)				20,039,209	18,288,695	

**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	20,039,209
2	Enter amount from Part I, line 27a	2	-1,748,838
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	18,290,371
5	Decreases not included in line 2 (itemize) ▶ <b>SEE STATEMENT 11</b>	5	1,676
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5)—Part II, column (b), line 30	6	18,288,695

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)

(b) How acquired  
P—Purchase  
D—Donation

(c) Date acquired  
(mo., day, yr.)

(d) Date sold  
(mo., day, yr.)

<b>1a</b>	<b>SEE SCHEDULES ATTACHED</b>	<b>P</b>	<b>VARIOUS</b>	<b>VARIOUS</b>
<b>b</b>	<b>SEE SCHEDULES ATTACHED</b>	<b>P</b>	<b>VARIOUS</b>	<b>VARIOUS</b>
<b>c</b>				
<b>d</b>				
<b>e</b>				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
<b>a</b> 1,859,142		1,676,358	182,784
<b>b</b> 5,969,583		7,641,300	-1,671,717
<b>c</b> 21,126			21,126
<b>d</b>			
<b>e</b>			

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

(i) 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))
<b>a</b>			182,784
<b>b</b>			-1,671,717
<b>c</b>			21,126
<b>d</b>			
<b>e</b>			

<b>2</b> Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	<b>2</b>	-1,467,807
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	<div> <div>If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions)</div> <div>If (loss), enter -0- in Part I, line 8</div> </div>	<b>3</b>	182,784

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

**1** Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2008	858,998	18,391,755	0.046706
2007	1,003,913	20,144,356	0.049836
2006	1,011,918	18,670,043	0.054200
2005	804,081	16,566,364	0.048537
2004	565,579	16,156,403	0.035006

<b>2</b> Total of line 1, column (d)	<b>2</b>	0.234285
<b>3</b> Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	<b>3</b>	0.046857
<b>4</b> Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	<b>4</b>	16,535,975
<b>5</b> Multiply line 4 by line 3	<b>5</b>	774,826
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	5,783
<b>7</b> Add lines 5 and 6	<b>7</b>	780,609
<b>8</b> Enter qualifying distributions from Part XII, line 4	<b>8</b>	879,593

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

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

<b>1a</b>	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)		
<b>b</b>	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>	5,783
<b>c</b>	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
<b>2</b>	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>2</b>	0
<b>3</b>	Add lines 1 and 2	<b>3</b>	5,783
<b>4</b>	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>4</b>	0
<b>5</b>	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>	5,783
<b>6</b>	<b>Credits/Payments</b>		
<b>a</b>	2009 estimated tax payments and 2008 overpayment credited to 2009	<b>6a</b>	8,400
<b>b</b>	Exempt foreign organizations—tax withheld at source	<b>6b</b>	
<b>c</b>	Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	
<b>d</b>	Backup withholding erroneously withheld	<b>6d</b>	
<b>7</b>	Total credits and payments. Add lines 6a through 6d	<b>7</b>	8,400
<b>8</b>	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	<b>8</b>	
<b>9</b>	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	<b>9</b>	
<b>10</b>	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	<b>10</b>	2,617
<b>11</b>	Enter the amount of line 10 to be <b>Credited to 2010 estimated tax</b> <b>2,617</b> <b>Refunded</b>	<b>11</b>	

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
<b>1b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to <b>1a</b> or <b>1b</b> , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
<b>1c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <b>\$</b> _____ (2) On foundation managers <b>\$</b> _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <b>\$</b> _____		
<b>2</b> 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		X
<b>3</b> Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
<b>4b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?		
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
<b>6</b> Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <b>OR</b>		
<b>b</b> If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
<b>9</b> Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
<b>10</b> Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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

<b>11</b>	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	<b>11</b>		<b>X</b>
<b>12</b>	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	<b>12</b>		<b>X</b>
<b>13</b>	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <b>N/A</b>	<b>13</b>	<b>X</b>	
<b>14</b>	The books are in care of ▶ <b>RUTH B. RICHMOND</b> <b>1717 SW PARK AVE SUITE 1302</b> Located at ▶ <b>PORTLAND, OR</b>		Telephone no ▶ <b>503-223-0036</b> ZIP+4 ▶ <b>97201</b>	
<b>15</b>	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ <b>15</b>			

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

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

		Yes	No
<b>1a</b> During the year did the foundation (either directly or indirectly)			
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days )	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b> If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	▶ <input type="checkbox"/>	<b>1b</b>	<b>X</b>
<b>c</b> Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	<b>N/A</b>	<b>1c</b>	
<b>2</b> Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
<b>a</b> At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If "Yes," list the years ▶ 20 , 20 , 20 , 20	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b> Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions )	<b>N/A</b>	<b>2b</b>	
<b>c</b> If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20 , 20 , 20 , 20			
<b>3a</b> Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b> If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009 )	<b>N/A</b>	<b>3b</b>	
<b>4a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		<b>4a</b>	<b>X</b>
<b>b</b> Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?		<b>4b</b>	<b>X</b>

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

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? ☐ 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? ☐ Yes ☒ No **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? ☐ Yes ☒ No **7b** **N/A**

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

**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE ATTACHED SCHEDULE		38,000	0	0

**2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."**

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

**Total number of other employees paid over \$50,000** **0**

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

**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶ 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.

**1 THE FOUNDATION'S ONLY CHARITABLE ACTIVITY WAS MAKING GRANTS TO PUBLIC CHARITIES IN SUPPORT OF THEIR PROGRAMS. SEE ATTACHED LIST OF GRANTEES AND GRANT AMOUNTS.**

2

3

4

Expenses

**Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)**

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

**1 N/A**

2

All other program-related investments See page 24 of the instructions

3

Amount

Total. Add lines 1 through 3 ▶



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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	16,766,028
<b>b</b>	Average of monthly cash balances	<b>1b</b>	21,764
<b>c</b>	Fair market value of all other assets (see page 24 of the instructions)	<b>1c</b>	0
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	16,787,792
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	16,787,792
<b>4</b>	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	251,817
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	16,535,975
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	826,799

**Part XI Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	826,799
<b>2a</b>	Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	5,783
<b>b</b>	Income tax for 2009 (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	5,783
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	821,016
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	821,016
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	821,016

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

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	<b>1a</b>	879,593
<b>b</b>	Program-related investments—total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	879,593
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	<b>5</b>	5,783
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	873,810

**Note.** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income** (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
<b>1</b> Distributable amount for 2009 from Part XI, line 7				<b>821,016</b>
<b>2</b> Undistributed income, if any, as of the end of 2009				
<b>a</b> Enter amount for 2008 only				
<b>b</b> Total for prior years 20____, 20____, 20____				
<b>3</b> Excess distributions carryover, if any, to 2009				
<b>a</b> From 2004				
<b>b</b> From 2005				
<b>c</b> From 2006			<b>66,843</b>	
<b>d</b> From 2007			<b>38,075</b>	
<b>e</b> From 2008				
<b>f</b> Total of lines 3a through e	<b>104,918</b>			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ <b>879,593</b>				
<b>a</b> Applied to 2008, but not more than line 2a				
<b>b</b> Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
<b>c</b> Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
<b>d</b> Applied to 2009 distributable amount				<b>821,016</b>
<b>e</b> Remaining amount distributed out of corpus	<b>58,577</b>			
<b>5</b> Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a) )				
<b>6</b> Enter the net total of each column as indicated below:	<b>163,495</b>			
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5				
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b				
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
<b>d</b> Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions				
<b>e</b> Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
<b>f</b> Undistributed income for 2009 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				<b>0</b>
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	<b>163,495</b>			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2005				
<b>b</b> Excess from 2006			<b>66,843</b>	
<b>c</b> Excess from 2007			<b>38,075</b>	
<b>d</b> Excess from 2008				
<b>e</b> Excess from 2009			<b>58,577</b>	

4942(j)(5)

DAA

**Part XV** Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<b>a</b> Paid during the year <b>SEE ATTACHED SCHEDULE</b>				<b>786,139</b>
<b>Total</b>			<b>► 3a</b>	<b>786,139</b>
<b>b</b> Approved for future payment <b>N/A</b>				
<b>Total</b>			<b>► 3b</b>	

## 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 (See page 28 of the instructions )
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount		
<b>1</b> Program service revenue						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
<b>2</b> Membership dues and assessments						
<b>3</b> Interest on savings and temporary cash investments			14	25		
<b>4</b> Dividends and interest from securities			14	637,814	15,212	
<b>5</b> Net rental income or (loss) from real estate						
a Debt-financed property						
b Not debt-financed property						
<b>6</b> Net rental income or (loss) from personal property						
<b>7</b> Other investment income						
<b>8</b> Gain or (loss) from sales of assets other than inventory			14	-1,467,807		
<b>9</b> Net income or (loss) from special events						
<b>10</b> Gross profit or (loss) from sales of inventory						
<b>11</b> Other revenue a _____						
b <b>LITIGATION SETTLEMENT PROCEED</b>					1,012	
c _____						
d _____						
e _____						
<b>12</b> Subtotal. Add columns (b), (d), and (e)		0		-829,968	16,224	
<b>13</b> Total. Add line 12, columns (b), (d), and (e)				13	-813,744	

(See worksheet in line 13 instructions on page 28 to verify calculations )

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

[illegible]

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

- 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
  - (2) Other assets
- b** Other transactions
- (1) Sales of assets to a noncharitable exempt organization
  - (2) Purchases of assets from a noncharitable exempt organization
  - (3) Rental of facilities, equipment, or other assets
  - (4) Reimbursement arrangements
  - (5) Loans or loan guarantees
  - (6) Performance of services or membership or fundraising solicitations
- c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees
- d** If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

- b. If "Yes," complete the following schedule**

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

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

Kurt B. Richardson | 5/15/2010  
Signature of officer or trustee | Date

Pres. Herbert A. Templeton  
Title Foundation

**Sign Here**

**Paid  
Preparer's  
Use Only**

Preparer's  
signature 

Firm's name (or yours if self-employed), address, and ZIP code

JARRARD, SEIBERT, POLLARD & CO, LLC  
1800 BLANKENSHIP RD, SUITE 450  
WEST LINN, OR 97068-4191

Date \_\_\_\_\_

04/28/10

Check if self-employed ☐

Preparer's identifying  
number (see **Signature** on  
page 30 of the instructions)  
**P00041794**

EIN ▶ 93-0623130

Phone no **503-723-7600**

Form **990-PF** (2009)

# Federal Statements

## Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
LITIGATION SETTLEMENT PROCEED	\$ 1,012	\$	\$
TOTAL	\$ 1,012	\$ 0	\$ 0

## Statement 2 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LEGAL FEES	\$ 2,425	\$ 1,212	\$	\$ 1,213
TOTAL	\$ 2,425	\$ 1,212	\$ 0	\$ 1,213

## Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ACCOUNTING FEES	\$ 7,540	\$ 3,770	\$	\$ 3,770
TOTAL	\$ 7,540	\$ 3,770	\$ 0	\$ 3,770

## Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
UBC/LATEEF-INVESTMENT FEES	\$ 43,326	\$ 43,326	\$	\$
UBC/LATEEF-CUSTODIAN FEES	7,480	7,480		
TOTAL	\$ 50,806	\$ 50,806	\$ 0	\$ 0

# Federal Statements

## Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
PAYROLL TAXES	\$ 4,924			\$ 4,924
FEDERAL TAXES PAID	-4,148			
STATE TAXES PAID	1,170			1,170
FOREIGN TAXES, DIVIDENDS	3,795	3,795		
CORPORATE DIVISION	50			50
TOTAL	\$ 5,791	\$ 3,795	\$ 0	\$ 6,144

## Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation

Date Acquired	Description	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
\$ 7,693	OFFICE EQUIPMENT	\$ 7,693	\$ 7,332	STRAIGHT LINE	5	\$ 66	\$	\$
TOTAL		\$ 7,693	\$ 7,332			\$ 66	\$ 0	\$ 0

## Statement 7 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES				
TELEPHONE	779			779
CONTRACT SERVICES	79			79
INSURANCE	212			212
TOTAL	\$ 1,070	\$ 0	\$ 0	\$ 1,070



**Federal Statements**

**Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
CORPORATE STOCKS	\$ 14,847,929	\$ 13,339,436	COST	\$ 13,255,680
TOTAL	<u>\$ 14,847,929</u>	<u>\$ 13,339,436</u>		<u>\$ 13,255,680</u>

**Statement 9 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
CORPORATE BONDS AND NOTES	\$ 3,665,745	\$ 2,253,171	COST	\$ 2,310,991
TOTAL	<u>\$ 3,665,745</u>	<u>\$ 2,253,171</u>		<u>\$ 2,310,991</u>

Statement 10 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
OFFICE EQUIPMENT	\$ 206	\$ 7,693	\$ 7,398	\$ 7,693
TOTAL	\$ 206	\$ 7,693	\$ 7,398	\$ 7,693

**Statement 11 - Form 990-PF, Part III, Line 5 - Other Decreases**

Description	Amount
BOOK TO TAX ADJUSTMENT FOR STOCK SALE	\$ 1,676
TOTAL	\$ 1,676

93-0505586

**Federal Statements**

FYE: 12/31/2009

**Statement 12 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents**

Description

LETTERS, IRC 501(C)(3) EVIDENCE, FINANCIAL STATEMENTS,  
BOARD OF DIRECTORS

**Form 990-PF, Part XV, Line 2c - Submission Deadlines**

Description

MARCH 15 AND SEPTEMBER 15

**Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations**

Description

SEE ATTACHED SCHEDULE

Templeton Foundation  
Summary of 2009 Capital Gains

93-0505586

FORM 990-PF

PART I, LINE 6

	<u>Short-Term</u>	<u>Long-Term</u>	<u>Total</u>
Lateef	\$ 142,948	\$ (1,375,061)	\$ (1,232,113)
Lateef CG Distrib		8,818	8,818
Lateef II	34,885	(205,424)	(170,539)
Lateef II CG Distrib		6,957	6,957
UBS		(31,873)	(31,873)
ML American Growth		2,972	2,972
ML Pimco Real	4,951	(62,331)	(57,380)
ML Pimco CG Distrib		5,351	5,351
	<u>\$ 182,784</u>	<u>\$ (1,650,591)</u>	<u>\$ (1,467,807)</u>

# 2009 Tax Information Statement

Account Number: 11102148  
 Recipient's Tax ID number: XX-XXX5586  
 Payer's Federal ID number: 94-0304228  
 Questions? (800)810-2207  
☐ Corrected ☐ 2nd TIN notice

Recipient's Name and Address  
 THE HERBERT TEMPLETON  
 FOUNDATION  
 1717 S W PARK AVENUE STE 1302  
 PORTLAND, OR 97201

Payer's Name and Address  
 UNION BANK, N.A.  
 PO BOX 45174  
 SAN FRANCISCO, CA 94145-0174

## 2009 Combined Year-End 1099 Forms

### Form 1099-DIV Dividends and Distributions

OMB No. 1545-0110

1a Total ordinary dividends	\$149,893.
1b Qualified dividends	\$129,121
2a Total capital gain distributions	\$8,818
2b Unrecaptured Section 1250 Gain	\$2,285
2c Section 1202 gain	
2d Collectibles (28%) gain	
3 Nondividend distributions	\$1,963.
4 Federal income tax withheld	
5 Investment expenses	
6 Foreign tax paid	\$2,427.
7 Foreign country or U.S. possession	See Schedule
8 Cash liquidation distributions	
9 Non-cash liquidation distributions	

### Form 1099-INT Interest Income

OMB No. 1545-0110

1 Interest income not included in Box 3	\$138,147.
2 Early withdrawal penalty	
3 Interest on U.S. Savings Bonds and Treasury obligations	
4 Federal income tax withheld	
5 Investment expenses	
6 Foreign tax paid	
7 Foreign country or U.S. possession	
8 Tax exempt interest	
9 Specified private activity bond interest	

### Summary of Form 1099-B

#### Proceeds from Broker and Barter Exchange Transactions

2 Stocks, bonds, etc	\$4,611,001
4 Federal income tax withheld	
8 Profit or (loss) realized in 2009	
9 Unrealized profit or (loss) on open contracts - 2008	
10 Unrealized profit or (loss) on open contracts - 2009	
11 Aggregate profit or (loss)	

Gross Proceeds less commissions and option premiums from each sale transaction are reported individually to the IRS. Refer to the 1099-B section of this Tax Information Statement. Report each sale separately on your federal and state income tax returns.

### Summary of Form 1099-OID

#### Original Issue Discount

1 Original issue discount for 2009	
2 Other periodic interest	
3 Early withdrawal penalty	
4 Federal income tax withheld	
6 Original issue discount on US Treasury obligations	
7 Investment expenses	

Original Issue Discount Amounts are reported individually to the IRS. Refer to the 1099-OID section of this Tax Information Statement

# 2009 Tax Information Statement

Account Number: 11102166  
 Recipient's Tax ID number: XX-XXX5586  
 Payer's Federal ID number: 94-0304228  
 Questions? (800)810-2207  
☐ Corrected ☐ 2nd TIN notice

Recipient's Name and Address  
 THE HERBERT TEMPLETON  
 FOUNDATION  
 1717 S W PARK AVENUE STE 1302  
 PORTLAND, OR 97201

Payer's Name and Address  
 UNION BANK, N A  
 PO BOX 45174  
 SAN FRANCISCO, CA 94145-0174

## 2009 Combined Year-End 1099 Forms

### Form 1099-DIV Dividends and Distributions

OMB No. 1545-0110

1a Total ordinary dividends	\$33,929
1b Qualified dividends	\$23,894
2a Total capital gain distributions	\$6,957
2b Unrecaptured Section 1250 Gain	\$599
2c Section 1202 gain	
2d Collectibles (28%) gain	
3 Nondividend distributions	\$688
4 Federal income tax withheld	
5 Investment expenses	
6 Foreign tax paid	\$384
7 Foreign country or U S possession	See Schedule
8 Cash liquidation distributions	
9 Non-cash liquidation distributions	

### Form 1099-INT Interest Income

OMB No. 1545-0110

1 Interest income not included in Box 3	\$23,371
2 Early withdrawal penalty	
3 Interest on U S Savings Bonds and Treasury obligations	
4 Federal income tax withheld	
5 Investment expenses	
6 Foreign tax paid	
7 Foreign country or U.S possession	
8 Tax exempt interest	
9 Specified private activity bond interest	

### Summary of Form 1099-B

#### Proceeds from Broker and Barter Exchange Transactions

2 Stocks, bonds, etc	\$739,760
4 Federal income tax withheld	
8 Profit or (loss) realized in 2009	
9 Unrealized profit or (loss) on open contracts - 2008	
10 Unrealized profit or (loss) on open contracts - 2009	
11 Aggregate profit or (loss)	

Gross Proceeds less commissions and option premiums from each sale transaction are reported individually to the IRS. Refer to the 1099-B section of this Tax Information Statement. Report each sale separately on your federal and state income tax returns

### Summary of Form 1099-OID

#### Original Issue Discount

1 Original issue discount for 2009	
2 Other periodic interest	
3 Early withdrawal penalty	
4 Federal income tax withheld	
6 Original issue discount on US Treasury obligations	
7 Investment expenses	

Original Issue Discount Amounts are reported individually to the IRS. Refer to the 1099-OID section of this Tax Information Statement



HERBERT A TEMPLETON FOUNDATION  
PIMCO BOND FUNDS  
1717 SW PARK AVE STE 1302  
PORTLAND OR 97201-3245

Account No.  
311-04K04

Taxpayer No.  
XX-XXX5586

Page  
1 of 13

Your Financial Advisor 0709  
THE KRUM, CHRISTIAN, FRANK GROUP  
1211 S.W. 5TH AVENUE, 24TH FLR  
PORTLAND OR, 97204-3793

Payer:  
Merrill Lynch, Pierce, Fenner & Smith Inc  
1800 Merrill Lynch Drive, MSC 0803  
Pennington, NJ 08534-4129  
Federal Identification Number 13-5674085

## 2009 TAX REPORTING STATEMENT

1099-DIV	2009 Dividends and Distributions	(OMB NO. 1545-0110)
1a	Total Ordinary Dividends	Amount 270,927.55
1b	Qualified Dividends	291.90
2a	Total Capital Gain Distributions	5,351.14
2b	Unrecap. Sec 1250 Gain	0.00
2c	Section 1202 Gain	0.00
2d	Collectibles (28%) Gain	0.00
3	Nondividend Distributions	0.00
4	Federal Income Tax Withheld	0.00
5	Investment Expenses	0.00
6	Foreign Tax Paid	0.00
7	Foreign Country or U S Possession	0.00
8	Liquidation Distributions Cash	0.00
9	Liquidation Distributions Non-Cash (Fair Market Value)	0.00

1099-INT	2009 Interest Income	(OMB NO. 1545-0112)
1	Interest Income	Amount 0.00
2	Early Withdrawal Penalty	0.00
3	Interest On U S Savings Bonds and Treasury Obligations	0.00
4	Federal Income Tax Withheld	0.00
5	Investment Expenses	0.00
6	Foreign Tax Paid	0.00
7	Foreign Country or U S Possession	0.00
8	Tax Exempt Interest	0.00
9	Specified Private Activity Bond Interest	0.00

Summary of 2009 Original Issue Discount Items		
1	Original Issue Discount....	Amount 0 00
6	Original Issue Discount on US Treasury Obligations	0 00
<b>Amounts of Original Issue Discount are individually reported to the IRS.</b> Refer to the 2009 Original Issue Discount detail section of this statement.		

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanctions may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Please refer to Page 5 of this statement highlighting important information that should be brought to the attention of your tax advisor.

You may reach a Tax Representative at 1-800-637-6326

Summary of 2009 Proceeds from Broker & Barter Exchange Transactions		
2	Gross Proceeds Less Commissions	Amount 2,403,702.20
4	Federal Income Tax Withheld	0.00
Gross Proceeds from each of your 2009 securities trades are individually reported to the IRS. Refer to the 2009 Gross Proceeds detail section of this statement.		



LATEEF MANAGEMENT ASSOCIATES  
ACCOUNT 11102148

SCHEDULE OF CAPITAL TRANSACTIONS

		(1-ST/2-LT)				GAIN OR LOSS	
QUAN	DESCRIPTION	HOLDING PERIOD	DATE SOLD	PROCEEDS	COST	SHORT TERM	LONG TERM
3,000	ASBURY AUTOMOTIVE GRP	2	1/16/09	13,402	50,234	-	(36,833)
5,000	DOW CHEMICAL	2	2/10/09	53,850	192,770	-	(138,920)
1,250	ALASKA AIR GROUP INC	2	2/19/09	36,265	37,008	-	(743)
750	ALASKA AIR GROUP INC	2	2/20/09	22,021	22,205	-	(184)
4,250	BANK AMERICA CORP	2	2/24/09	17,257	202,368	-	(185,111)
4,000	OFFICE DEPOT INC	2	2/27/09	4,640	75,342	-	(70,702)
1,500	ASSOCIATED BANC CORP	2	3/27/09	21,972	46,152	-	(24,180)
9,000	NEWELL RUBBERMAID	1/2	4/21/09	66,842	229,667	(20,546)	(142,279)
1,000	JP MORGAN CHASE	1	4/22/09	32,579	24,828	7,751	-
600	BB & T CORP	2	4/22/09	13,322	20,238	-	(6,916)
2,000	LOWES COS INC	2	4/22/09	41,071	64,411	-	(23,340)
1,500	TYSON FOODS INC	1	4/22/09	16,203	17,308	(1,105)	-
1,500	LOWES COS INC	2	4/24/09	30,809	47,505	-	(16,696)
1,500	DUKE REALTY CORP	1	4/27/09	13,190	38,625	(25,435)	-
0.0484	CBL & ASSOC	2	4/29/09	0	2	-	(2)
5,000	GLEMCHER REALTY	1/2	4/29/09	13,782	91,223	(6,876)	(70,565)
3,000	MACERICH CO.	1	5/6/09	49,229	36,638	12,591	-
2,000	TCF FINL CORP	2	5/12/09	31,549	58,200	-	(26,651)
500	JP MORGAN CHASE	1	5/12/09	17,405	12,414	4,991	-
3,500	CBL & ASSOC	2	5/13/09	25,071	125,617	-	(100,545)
1,250	LOWES COS INC.	2	5/13/09	24,378	37,866	-	(13,487)
2,000	DEVON ENERGY CORP	1	5/13/09	129,022	159,026	(30,004)	-
225	CATERPILLAR INC	2	5/13/09	8,746	13,712	-	(4,965)
2,000	TYSON FOODS INC	1	5/14/09	24,263	23,078	1,185	-
500	JP MORGAN CHASE	1	5/14/09	18,480	12,414	6,066	-
3,500	MACERICH CO	1	5/15/09	65,968	48,832	17,135	-
150,000	ABBOT LABS NOTES 5 375%	2	5/15/09	150,000	150,297	-	(297)
1,250	LOWES COS INC	2	5/21/09	24,689	29,088	-	(4,398)
1,500	CROWN HOLDINGS INC	2	5/21/09	34,928	36,164	-	(1,236)
250,000	WAL MART STORES 6 875%	2	5/27/09	252,813	260,903	-	(8,090)
250,000	GECC MTN 5 25%	1	5/27/09	253,438	251,275	2,163	-
400,000	KROGER CO	2	6/1/09	400,000	416,500	-	(16,500)
500	COCA-COLA CO	1	6/3/09	23,919	21,548	2,372	-
275	CATERPILLAR INC.	2	6/4/09	9,987	17,903	-	(7,916)
1,000	FEDEX CORP	2	6/5/09	57,129	107,798	-	(50,670)
3,000	TEMPLE-INLAND INC	2	6/10/09	42,330	76,061	-	(33,731)
725	CATERPILLAR INC	1	6/10/09	27,748	25,582	2,166	-
750	KAISER ALUM CORP	1	6/11/09	25,548	34,574	(9,025)	-
200	FEDEX CORP	2	6/11/09	11,114	21,407	-	(10,292)
1,500	TEMPLE-INLAND INC	2	6/15/09	20,980	38,030	-	(17,051)
200,000	TARGET CORP	1	6/15/09	200,000	203,000	(3,000)	-
0.5315	MACERICH CO	1	7/1/09	11	11	-	-
600	UNILEVER NV	2	7/24/09	15,679	18,544	-	(2,866)
2,000	TCF FINL CORP	2	7/24/09	28,379	56,815	-	(28,436)
3,750	BRANDYWINE REALTY TR	2	7/24/09	27,943	110,441	-	(82,497)
2,500	BED BATH & BEYOND	1	7/28/09	88,673	72,495	16,178	-
850	KAISER ALUM CORP	1	8/5/09	28,559	39,183	(10,624)	-
3,500	ZALE CORP NV	2	8/6/09	22,470	97,044	-	(74,573)

[illegible]

LATEEF MANAGEMENT ASSOCIATES II  
ACCOUNT 11102166

SCHEDULE OF CAPITAL TRANSACTIONS:

QUANT	DESCRIPTION	(1-ST/2-LT)	DATE SOLD	PROCEEDS	COST	GAIN OR LOSS	
		HOLDING PERIOD				SHORT-TERM	LONG-TERM
700	DOW CHEMICAL	2	2/10/09	7,482	27,697	-	(20,215)
900	BANK AMERICA CORP	2	2/24/09	3,762	43,021	-	(39,259)
75,000	WAL MART STORES 6 875%	2	3/19/09	76,260	78,308	-	(2,048)
1,500	NEWELL RUBBERMAID	2	4/21/09	11,010	40,820	-	(29,810)
250	JP MORGAN CHASE	1	4/27/09	8,058	6,320	1,738	-
500	TYSON FOODS	1	4/27/09	5,331	5,853	(522)	-
0 7677	CBL & ASSOC	2	4/29/09	2	31	-	(29)
1,200	GLEMCHER REALTY TR	2	4/29/09	3,269	29,485	-	(26,216)
650	MACERICH CO	1	5/6/09	10,739	7,463	3,276	-
900	LOWES COS. INC	2	5/13/09	17,535	29,349	-	(11,814)
1,200	CBL & ASSOC	1/2	5/13/09	8,572	43,843	3	(35,274)
900	TEMPLE-INLAND INC	2	5/13/09	11,071	22,879	-	(11,808)
350	DEVON ENERGY CORP	1	5/13/09	22,375	29,267	(6,892)	-
225	JP MORGAN CHASE	1	5/13/09	8,142	5,688	2,454	-
500	TCF FINL CORP	2	5/13/09	8,029	13,582	-	(5,554)
600	MACERICH CO	1	5/15/09	11,412	7,782	3,630	-
300	PACTIV CORP	2	5/21/09	6,514	8,211	-	(1,697)
350	UNILEVER N V	2	5/21/09	8,117	10,890	-	(2,773)
500	ZALE CORP	2	5/21/09	2,191	11,576	-	(9,385)
50,000	KROGER CO 7 25%	2	6/1/09	50,000	51,800	-	(1,800)
325	FEDEX CORP	1/2	6/5/09	18,557	31,427	(2,580)	(10,290)
60,000	TARGET CORP 5.375%	1	6/15/09	60,000	60,900	(900)	-
0.2054	MACERICH CO	1	7/1/09	4	4	-	-
600	BED BATH & BEYOND INC	1	7/28/09	21,174	17,484	3,690	-
525	JP MORGAN CHASE	1	8/10/09	21,767	12,565	9,202	-
250	ENERGIZER HOLDINGS INC	2	8/10/09	16,136	21,523	-	(5,388)
250	ENERGIZER HOLDINGS INC	1/2	8/18/09	16,777	16,663	2,012	(1,898)
500	ALASKA AIR GROUP INC	2	8/28/09	13,058	14,746	-	(1,689)
200	THE TRAVELERS COS INC	2	9/2/09	9,812	8,774	-	1,038
650	STARBUCKS CORP	2	9/4/09	12,319	12,666	-	(347)
50,000	SAFEWAY INC 7.5%	1	9/15/09	50,000	50,125	(125)	-
600	WALGREEN CO.	2	9/17/09	20,263	23,094	-	(2,831)
900	TEMPLE-INLAND INC.	1	9/18/09	16,596	5,310	11,286	-
750	STARBUCKS CORP	2	9/23/09	15,449	14,614	-	835
0.3031	MACERICH CO	1	9/28/09	9	6	3	-
16	MACERICH CO	1	10/1/09	481	319	162	-
225	GENERAL MILLS INC	1	10/6/09	14,281	11,067	3,214	-
425	CVS CAREMARK CORP	2	10/19/09	15,709	12,866	-	2,844
300	KAISER ALUM CORP	2	10/26/09	12,733	13,808	-	(1,075)
50,000	KRAFT FOODS INC 4.125%	2	11/12/09	50,000	50,416	-	(416)
200	THE TRAVELERS COS INC	2	11/13/09	10,575	8,774	-	1,801
450	MICROSOFT CORP	2	11/23/09	13,357	9,387	-	3,970
300	MICROSOFT CORP	2	11/25/09	8,745	6,258	-	2,487
225	GENERAL MILLS INC	1	11/30/09	15,372	11,067	4,305	-
325	ALASKA AIR GROUP INC	1/2	12/10/09	10,544	8,424	929	1,191
225	HEWLETT PACKARD CO	2	12/23/09	11,444	4,802	-	6,642
300	ALCOA	2	12/31/09	4,731	9,349	-	(4,618)
				739,761	910,300	34,885	(205,424)

MERRILL LYNCH  
ACCOUNT 311-04K04

**SCHEDULE OF CAPITAL TRANSACTIONS:**

QUAN	DESCRIPTION	(1-ST/2-LT) HOLDING PERIOD	DATE SOLD	PROCEEDS	COST	GAIN OR LOSS	
						SHORT TERM	LONG TERM
219,410 000	PIMCO TOTAL RETURN FD	2	5/21/09	2,286,252	2,351,621		(65,369)
5,266 816	PIMCO REAL RETURN FD	1	12/1/09	58,725	53,774	4,951	
5,329	PIMCO TOTAL RETURN FD	2	12/1/09	58,725	55,687		3,038
				<u>2,403,702</u>	<u>2,461,082</u>	<u>4,951</u>	<u>(62,331)</u>

MERRILL LYNCH  
ACCOUNT 311-04H18

**SCHEDULE OF CAPITAL TRANSACTIONS:**

QUAN	DESCRIPTION	(1-ST/2-LT) HOLDING PERIOD	DATE SOLD	PROCEEDS	COST	GAIN OR LOSS	
						SHORT TERM	LONG TERM
798 361	AMERICAN GROW FD OF AM	2	12/1/09	21,750	18,778		2,972
				<u>21,750</u>	<u>18,778</u>		<u>2,972</u>

UBS FINANCIAL SERVICES  
ACCOUNT LL 69527 BD

**SCHEDULE OF CAPITAL TRANSACTIONS:**

		(1-ST/2-LT)								GAIN OR LOSS	
QUAN	DESCRIPTION	HOLDING PERIOD	DATE SOLD	PROCEEDS	COST	SHORT TERM	LONG TERM				
43 115	HENDERSON GLOBAL INV INTL	2	1/23/09	583	906		(323)				
35 244	HENDERSON GLOBAL INV INTL	2	4/23/09	540	741		(201)				
1183.975	ALLIANCE BERNSTEIN INTL	2	5/22/09	12,988	23,786		(10,798)				
183 391	ALLIANCE BERNSTEIN INTL	2	5/22/09	2,012	3,732		(1,720)				
862 565	HENDERSON GLOBAL INV INTL	2	5/22/09	15,000	18,131		(3,131)				
755 287	NEUBERGER BERMAN INTL	2	5/22/09	10,000	19,660		(9,660)				
703.235	OPPENHEIMER INTL SMALL	2	5/22/09	10,000	15,886		(5,886)				
8 317	HENDERSON GLOBAL INV INTL	2	7/24/09	154	175		(21)				
25 36	HENDERSON GLOBAL INV INTL	2	7/24/09	470	550		(80)				
37 705	HENDERSON GLOBAL INV INTL	2	10/23/09	765	818		(53)				
							-				
							-				
							-				
							-				
						52,512	84,386	-	(31,873)		

HERBERT A TEMPLETON FOUNDATION  
Portland, Oregon  
Year ended December 31, 2009

93-0505586

PART II, BALANCE SHEET  
Lines 10b and c

	Col [b] Book Value	Col [c] Fair Market Value
<b>Line 10b</b>		
Merrill Lynch #311-04H18 - American Growth	\$ 952,274	\$ 943,629
Merrill Lynch #311-04K04 - Pimco Funds	4,648,629	4,852,186
UBS #LL 69527 BD	832,889	625,308
Union Bank of California #11102148	1,195,187	1,164,425
Union Bank of California #11102166	5,710,457	5,670,132
	<u>\$ 13,339,436</u>	<u>\$ 13,255,680</u>
<b>Line 10c</b>		
Union Bank of California #11102148	\$ 394,867	\$ 402,032
Union Bank of California #11102166	1,858,304	1,908,959
	<u>\$ 2,253,171</u>	<u>\$ 2,310,991</u>

HERBERT A. TEMPLETON FOUNDATION  
Officers and Trustees  
2009

<u>Name</u>	<u>Phone</u>	<u>Address</u>	<u>Office</u>
RICHMOND, Ruth B	503-223-0036	1717 SW Park Ave , Portland, OR 97201	President/Trustee
BRYSON, Jane T	same as above	same as above	Trustee
PANCOAST, Terrence R	same as above	same as above	Sec/Asst. Treasurer and Trustee
RICHMOND, Henry R	same as above	same as above	Vice President and Trustee
GIRARD, Linda M	same as above	same as above	Asst Secretary and Trustee
WYSS, Loren L	same as above	same as above	Treasurer and Trustee
EICKMANN, Margaret	same as above	same as above	Trustee

The president, Ruth B Richmond, devoted an average of 10-12 hours per week to her position. All of the other officers and trustees averaged about 1-3 hours per week. The president received compensation of \$38,000. None of the other officers or trustees received any compensation. No officer or trustee received contributions to a pension plan or deferred compensation, and no officer or trustee had an expense account allowance or other allowance.

HERBERT A. TEMPLETON FOUNDATION  
2009 GRANT DETAIL

Community \$40,000

Library Foundation - Multnomah County	\$10,000
Peninsula Children's Center	25,000
Tillamook Bay Child Care Center	5,000

3 grants: 3% of total number of grants

Average grant: \$13,333

Environment \$36,500

Columbia Riverkeeper	\$10,000
Friends of Living Oregon Waters	2,000
Friends of the Columbia Gorge	12,500
Friends of Tryon Creek State Park	3,000
Hood River Valley Residents Committee	4,000
Willamette Riverkeeper	5,000

6 grants: 5% of total number of grants

Average grant: \$6,083

Humanities \$278,962

General:

Caldera	\$10,000
Coos Art Museum	4,000
Fishtrap	8,000
Focus on Youth	6,000
Independent Publishing Resource Center	5,000
Kukatonon	4,000
Lelooska Foundation	2,700
Northwest Dance Project	7,500
P:ear	15,000
Pacific Northwest College of Art	5,000
PlayWrite	6,000
Portland Art Museum	12,500
Southern Oregon Historical Society	5,000
Tears of Joy Theatre	10,000
Washington County Historical Society	2,500
White Bird	5,000
Write Around Portland	8,000
Young Audiences	10,000

Music:

Cappella Romana	\$6,000
Chamber Music Society of Oregon	2,000



Columbia Gorge Arts in Education	5,000
Community Music Center Inc.	15,000
Ethos Music Center	20,000
Fear No Music	3,600
Old Library Studio	6,000
Oregon Bach Festival	5,000
Oregon Coast Music Association	6,000
Oregon East Symphony	4,000
Oregon Symphony Association in Salem	4,000
Pacific Youth Choir	5,000
Portland Baroque Orchestra	5,000
Portland Columbia Symphony Orchestra	3,162
Portland Festival Symphony	5,000
Portland Opera	8,000
Portland Symphonic Choir	5,000
Portland Youth Philharmonic	4,000
Stages of Life	4,000

Theatre:

Artists Repertory Theatre	\$5,000
Blue Monkey Theater Company	5,000
Broadway Rose Theatre Company	4,000
Miracle Theatre	5,000
Oregon Ballet Theatre	5,000
Oregon Coast Children's Theatre	4,000
Ross Ragland Theatre	4,000
Third Rail Repertory Theatre	5,000

45 grants: 41% of total number of grants

Average grant: \$6,199

<u>Social Services</u>	<u>\$277,432</u>
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Adelante Mujeres	\$8,000
Assistance League of Salem	5,000
Benton Committee Prevention of Child Abuse	8,000
Birth to Three	15,000
Bradley Angle	5,000
Casa de Belen	10,000
CASA for Children	7,500
CASA of Jackson County	5,000
CASA of Lane County	5,000
CASA of Linn County	4,000
Center for Community Counseling	7,500
Chehalem Youth & Family Services	7,500
Children's Relief Nursery (Portland)	10,000
Community Action Resource Enterprises	10,000

Family Building Blocks	10,000
Fish Emergency Services	6,000
Food for Lane County	5,000
Friendly House	10,000
Join	6,000
Juliette's House	7,500
Juvenile Rights Project	5,000
Neighborhood House Inc.	8,000
Old Mill Center	5,000
Oregon Coast Community Action/Coos CASA	15,000
Pearl Buck Center	10,000
Planned Parenthood - Columbia/Willamette	7,000
Portland Adventist Community Services	5,000
Raphael House	5,000
Saint Andrew Legal Clinic	12,000
Salvation Army - Portland Metro	5,000
Saving Grace (formerly COBRA)	7,432
Sexual Assault Resource Center	10,000
SnowCap Community Charities	6,000
Strengthening Rural Families	5,000
United Methodist Church/Creation Vacation	6,000
Volunteers of America	10,000
YWCA of Salem	4,000

37 grants: 34% of total number of grants

Average grant: \$7,498

<u>Youth</u>	<u>\$153,245</u>
Bandon Community Youth Center	\$4,000
Big Brothers/Big Sisters - Columbia NW	10,000
Boys & Girls Aid Society	4,000
Central Oregon Community College	10,030
Chess for Success	4,000
Children's Book Bank	5,000
Committed Partners for Youth - Eugene	8,000
Community Transitional School	15,000
Friends of the Children	10,000
Girls Inc.	15,000
High Desert Museum	7,665
Northwest Youth Corps	10,000
Oregon Episcopal School	7,000
Patrick McCurdy Education Foundation	13,000
Portland YouthBuilders	5,250
Rogue Community College	5,000
Salem Leadership Foundation	9,600

Trinity Lutheran Church & School 5,000  
Willowbrook 5,700  
19 grants: 17% of total number of grants  
Average grant: \$8,066

Total 2009 grants: 110 \$786,139  
Average grant: \$7,147

THE HERBERT A. TEMPLETON FOUNDATION  
STATEMENT OF POLICIES AND PROCEDURES

The Herbert A. Templeton Foundation is an Oregon charitable corporation which was founded in 1955 by the late Herbert A. Templeton. The present trustees of the Foundation are Jane T. Bryson, Margaret Eickmann, Linda M. Girard, Terrence R. Pancoast, Henry R. Richmond, Ruth B. Richmond and Loren L. Wyss.

The principal activity of The Herbert A. Templeton Foundation is the making of grants to appropriate tax-exempt organizations in the areas of education, social concerns, performing arts and humanities. The Foundation endeavors to remain responsive to changing conditions, and perceptive to emerging and critical needs. Overall, the trustees feel a strong commitment to strengthening the quality of life for the total community with special emphasis on giving support to youth.

Over the years, grants have regularly been made to various educational, youth, cultural, and social service organizations. Currently priority is placed on direct services. Grants are not being made for capital purposes including building and renovation projects, as well as purchases of furnishings, equipment and vehicles. Grants generally are made only to organizations operating within the State of Oregon or for purposes significantly affecting Oregon residents. It is the policy of the Foundation not to make grants to organizations which unfairly discriminate on the basis of gender, religion, age, national origin, marital status, or sexual orientation. No grants, including scholarships and student loans, are made to individuals. At this time we are not making grants in the following areas: programs for the elderly, medical or medically-related services, scientific research and technology, program related investments or endowment funds.

The procedures and operations of The Herbert A. Templeton Foundation are informal and there is no required application form. Grant requests should be in writing and, in addition to basic general information about the applicant organization, should describe the purpose for which funding is requested, the practical implementation strategy, the potential significance to the community, anticipated costs, and sources of actual and potential support. Requests also must include the most recent fiscal year-end financial statement; an organization budget; a project budget, if applicable; a list of the directors, indicating their relationships to the organization; and the name, address, and telephone number of a contact person. A copy of the applicant organization's Internal Revenue Service determination letter must be attached. These materials should be covered by a one-page transmittal letter which summarizes the grant request.

The Foundation processes grant requests throughout the year. There are two submission deadlines: March 15 and September 15. All requests must be received no later than 5:00 p.m. on the day of the deadline. Submission prior to the deadline is encouraged. Organizations may submit only one request per calendar year.

Following the receipt of a grant, the Foundation requests that the grantee submit a brief report reflecting on the successes/difficulties of the endeavors for which funding was granted.

All correspondence with the Foundation should be directed to:

Ruth B. Richmond, President  
The Herbert A. Templeton Foundation  
1717 S. W. Park Avenue  
Portland, Oregon 97201-3245

2009