Form 990-PF

Department of the Treasury
Internal Revenue Service (77)

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: THE STEELE FOUNDATION, INC

Number and street (or P O box number if mail is not delivered to street address): PO BOX 1112 | Room/suite

City or town, state, and ZIP code: PHOENIX AZ 85001

A Employer identification number: 95-3466880

B Telephone number (see page 10 of the instructions): 602-850-9804

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: ☒ 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)* ▶ $ 68,603,369

J Accounting method: ☐ Cash ☐ Accrual
☒ Other (specify) Modified Cash
(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) (see page 11 of the instructions))*

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue					
1	Contributions, gifts, grants, etc , received (attach schedule)				
2	Check ▶☐ if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	24,085	24,085		
4	Dividends and interest from securities	724,626	724,626		
5 a	Gross rents		0		
b	Net rental income or (loss) 0				
6 a	Net gain or (loss) from sale of assets not on line 10 Statement 15	-1,672,793			
b	Gross sales price for all assets on line 6a 16,063,692				
7	Capital gain net income (from Part IV, line 2)		0		
8	Net short-term capital gain			0	
9	Income modifications				
10 a	Gross sales less returns and allowances 0				
b	Less Cost of goods sold 0				
c	Gross profit or (loss) (attach schedule)	0			
11	Other income (attach schedule) Statement 1	2,021,370	2,021,370	0	
12	**Total.** Add lines 1 through 11	1,097,288	2,770,081	0	
Operating and Administrative Expenses					
13	Compensation of officers, directors, trustees, etc	400,945			400,945
14	Other employee salaries and wages	41,470			41,470
15	Pension plans, employee benefits	23,732			23,732
16 a	Legal fees (attach schedule) Statement 2	54,860	54,860	0	0
b	Accounting fees (attach schedule) Statement 3	15,340	15,340	0	0
c	Other professional fees (attach schedule) Statement 4	72,565	72,565	0	0
17	Interest				
18	Taxes (attach schedule) (see page 14 of the instructions) Statement 5	184,023	64,023	0	0
19	Depreciation (attach schedule) and depletion Statement 6	14,026	14,026	0	
20	Occupancy	31,453			31,453
21	Travel, conferences, and meetings	8,330			8,330
22	Printing and publications	1,202			1,202
23	Other expenses (attach schedule) Statement 7	136,704	123,934	0	12,770
24	**Total operating and administrative expenses.** Add lines 13 through 23	984,650	344,748	0	519,902
25	Contributions, gifts, grants paid	3,273,008			3,273,008
26	**Total expenses and disbursements.** Add lines 24 and 25	4,257,658	344,748	0	3,792,910
27	Subtract line 26 from line 12.				
a	**Excess of revenue over expenses and disbursements**	-3,160,370			
b	**Net investment income** (if negative, enter -0-)		2,425,333		
c	**Adjusted net income** (if negative, enter -0-)			0	

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For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

(HTA)

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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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	94	63	63
	2	Savings and temporary cash investments	4,442,842	3,842,975	3,842,975
	3	Accounts receivable ▶ 0			
		Less allowance for doubtful accounts ▶ 0	261,532	0	0
	4	Pledges receivable ▶ 0			
		Less allowance for doubtful accounts ▶ 0	0	0	0
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	0	0	0
	7	Other notes and loans receivable (attach schedule) ▶ 0			
		Less allowance for doubtful accounts ▶ 0	0	0	0
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments—U S and state government obligations (attach schedule) Statement 8		2,970,894	2,982,878
	b	Investments—corporate stock (attach schedule) Statement 9	12,681,828	10,445,093	13,058,800
	c	Investments—corporate bonds (attach schedule) Statement 10	1,308,037	2,781,222	2,945,306
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶ Statement 11	11,571,519	17,193,519	9,416,000
	12	Investments—mortgage loans	60,783,554	40,009,396	26,313,660
	13	Investments—other (attach schedule) Statement 12	9,138,791	5,941,218	5,235,744
	14	Land, buildings, and equipment. basis ▶ Statement 6 115,962			
		Less accumulated depreciation (attach schedule) ▶ 27,863	99,437	88,099	88,099
	15	Other assets (describe ▶ Statement 13)	4,754,247	4,283,135	4,719,844
	16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	105,041,881	87,555,614	68,603,369
Liabilities	17	Accounts payable and accrued expenses	21,101	32,414	
	18	Grants payable			
	19	Deferred revenue Statement 14	16,037,650	1,700,440	
	20	Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21	Mortgages and other notes payable (attach schedule)	0	0	
	22	Other liabilities (describe ▶)	0	0	
	23	**Total liabilities** (add lines 17 through 22)	16,058,751	1,732,854	
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 ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	88,983,130	85,822,760	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	88,983,130	85,822,760	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	105,041,881	87,555,614	

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	88,983,130
2	Enter amount from Part I, line 27a	2	-3,160,370
3	Other increases not included in line 2 (itemize) ▶	3	0
4	Add lines 1, 2, and 3	4	85,822,760
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	85,822,760

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 Statement 15			
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	0	0	0	0
b	0	0	0	0
c	0	0	0	0
d	0	0	0	0
e	0	0	0	0

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	0	0	0	0
b	0	0	0	0
c	0	0	0	0
d	0	0	0	0
e	0	0	0	0

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	-1,672,793
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) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	3	0

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	3,926,763	95,608,827	0.041071
2007	5,179,258	104,873,665	0 049386
2006	4,785,711	99,136,460	0.048274
2005	4,468,906	93,349,954	0 047873
2004	3,583,687	73,824,733	0.048543

2 **Total** of line 1, column (d)	2	0.235147
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	0.047029
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	66,576,215
5 Multiply line 4 by line 3	5	3,131,013
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	24,253
7 Add lines 5 and 6	7	3,155,266
8 Enter qualifying distributions from Part XII, line 4	8	3,792,910

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)

1 a	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	24,253
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	24,253
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	24,253
6	Credits/Payments:		
a	2009 estimated tax payments and 2008 overpayment credited to 2009 — 6a: 120,000		
b	Exempt foreign organizations—tax withheld at source — 6b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 0		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments. Add lines 6a through 6d	7	120,000
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	0
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	0
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	95,747
11	Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶ 0 **Refunded** ▶	11	95,747

Part VII-A Statements Regarding Activities

			Yes	No
1 a	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 page 19 of the 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 ▶ $ ________ (2) On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
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
4 a	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?	4b	N/A	
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	
8 a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ AZ			
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 on page 27)? *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)*

			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 page 20 of the 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 ▶ Email: grants@steele-foundation.com

14 The books are in care of ▶ The Steele Foundation, Inc. Telephone no ▶ (602) 850-9804

Located at ▶ PO Box 1112, Phoenix, AZ ZIP+4 ▶ 85001

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 |

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ 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)?	1b		X
	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 ▶ 20 08 , 20____ , 20____ , 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions)	2b	X	
c	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____			
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)*	3b		X
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)? (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)? **5b** N/A

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

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ 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**

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? **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 (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
Statement 16	.00	0	0	0
	.00	0	0	0
	.00	0	0	0
	.00	0	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 ▶ 1

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		0
		0
		0
		0
		0

Total number of others receiving over $50,000 for professional services . . . . ▶ 1

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 None	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 None	
2	
All other program-related investments See page 24 of the instructions 3	0
Total. Add lines 1 through 3 . . . . ▶	0

Part X Minimum Investment Return (All domestic foundations must complete this part Foreign foundations, see page 24 of the 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	31,349,910
b	Average of monthly cash balances	1b	169
c	Fair market value of all other assets (see page 24 of the instructions)	1c	36,239,987
d	**Total** (add lines 1a, b, and c)	1d	67,590,066
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	67,590,066
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	1,013,851
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	66,576,215
6	**Minimum investment return.** Enter 5% of line 5	6	3,328,811

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)

1	Minimum investment return from Part X, line 6			1	3,328,811
2a	Tax on investment income for 2009 from Part VI, line 5	2a	24,253		
b	Income tax for 2009 (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	24,253
3	Distributable amount before adjustments Subtract line 2c from line 1			3	3,304,558
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	3,304,558
6	Deduction from distributable amount (see page 25 of the instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	3,304,558

Part XII Qualifying Distributions (see page 25 of the 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	3,792,910
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	0
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	3,792,910
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 (see page 26 of the instructions)	5	24,253
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	3,768,657

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
1	Distributable amount for 2009 from Part XI, line 7				3,304,558
2	Undistributed income, if any, as of the end of 2009				
a	Enter amount for 2008 only			393,253	
b	Total for prior years: 20 ____, 20 ____, 20 ___		0		
3	Excess distributions carryover, if any, to 2009.				
a	From 2004 — 0				
b	From 2005 — 0				
c	From 2006 — 0				
d	From 2007 — 0				
e	From 2008 — 0				
f	**Total** of lines 3a through e	0			
4	Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 3,792,910				
a	Applied to 2008, but not more than line 2a			393,253	
b	Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c	Treated as distributions out of corpus (Election required—see page 26 of the instructions)	0			
d	Applied to 2009 distributable amount				3,304,558
e	Remaining amount distributed out of corpus	95,099			
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	95,099			
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				
d	Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions		0		
e	Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			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) (see page 27 of the instructions)				
8	Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	0			
9	**Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	95,099			
10	Analysis of line 9				
a	Excess from 2005 — 0				
b	Excess from 2006 — 0				
c	Excess from 2007 — 0				
d	Excess from 2008 — 0				
e	Excess from 2009 — 95,099				

Part XIV Private Operating Foundations (see page 27 of the 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	0				0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed	0				0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	0	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	0				0
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)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

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 page 28 of 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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient 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*				
Statement 17				3,273,008
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Total			▶ 3a	3,273,008
b *Approved for future payment*				
Statement 18				412,000
				0
				0
				0
				0
				0
				0
				0
				0
Total			▶ 3b	412,000

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See page 28 of the instructions)
1 Program service revenue.					
a		0		0	0
b		0		0	0
c		0		0	0
d		0		0	0
e		0		0	0
f		0		0	0
g Fees and contracts from government agencies					
2 Membership dues and assessments .					
3 Interest on savings and temporary cash investments			14	1,671	
4 Dividends and interest from securities			14	747,040	
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			14	2,021,370	
8 Gain or (loss) from sales of assets other than inventory			18	-1,672,793	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory .					
11 Other revenue a		0		0	0
b		0		0	0
c		0		0	0
d		0		0	0
e		0		0	0
12 Subtotal Add columns (b), (d), and (e)		0		1,097,288	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 1,097,288

(See worksheet in line 13 instructions on page 28 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) (See page 28 of the instructions)

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
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		

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

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] Signature of officer or trustee | 11-15-10 Date | ▶ Chief Financial Officer Title

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ▶☐	Preparer's identifying number (see **Signature** on page 30 of the instructions)
Firm's name (or yours if self-employed), address, and ZIP code ▶		EIN ▶	
		Phone no	

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172
2009
Attachment Sequence No **67**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
The Steele Foundation, Inc.	Charitable giving	95-3466880

Part I — Election To Expense Certain Property Under Section 179

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount See the instructions for a higher limit for certain businesses	1	$250,000
2	Total cost of section 179 property placed in service (see instructions).	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	$800,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
5	Dollar limitation for tax year. Subtract line 4 from line 1 If zero or less, enter -0-. If married filing separately, see instructions	5	250,000

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	0
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	0
10	Carryover of disallowed deduction from line 13 of your 2008 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	0
13	Carryover of disallowed deduction to 2010 Add lines 9 and 10, less line 12 ▶	13	0

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II — Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III — MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2009	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B - Assets Placed in Service During 2009 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property		39,784	5 yrs	HY	SL	7,714
c 7-year property		16,193	7yrs	HY	SL	2,313
d 10-year property						
e 15-year property		59,985	15yrs	HY	SL	3,999
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System

(a)	(b)	(c)	(d)	(e)	(f)	(g)
20 a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV — Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return Partnerships and S corporations - see instructions	22	14,026
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable*

Section A—Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.***)**

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/ investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use.								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L –		
		%				S/L –		
		%				S/L –		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1						28	0	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	0

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles*

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2009 tax year (see instructions):					
43 Amortization of costs that began before your 2009 tax year				43	
44 **Total.** Add amounts in column (f). See the instructions for where to report				44	0

STATEMENT 1

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART I, LINE 11 - OTHER INCOME

Description	Revenue and Expenses per books	Net Investment Income	Adjusted Net Income
Mortgage Interest	$2,309,930	$2,309,930	$0
Equity in the income of LLC	(289,227)	(289,227)	-
Miscellaneous Income	667	667	-
	$2,021,370	$2,021,370	$0

STATEMENT 2

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART I, LINE 16a - LEGAL FEES

Description	Revenue and Expenses per books	Net Investment Income	Disbursements for charitable purposes
Burch & Cracchiolo	$45,364	$45,364	$0
Michael Carmel	4,868	4,868	-
Pacific Coach	4,629	$4,629	-
	$54,860	$54,860	$0

STATEMENT 3

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART I, LINE 16b - ACCOUNTING FEES

Description	Revenue and Expenses per books	Net Investment Income	Disbursements for charitable purposes
Villanueva & Co.	$100	$100	$0
John Casalena	15,000	15,000	
Computer Coach	240	240	
	$15,340	$15,340	$0

STATEMENT 4

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART I, LINE 16c - OTHER PROFESSIONAL FEES

Description	Revenue and Expenses per books	Net Investment Income	Disbursements for charitable purposes
Investment management fees	$62,115	$62,115	$0
Brent Hickey	9,000	9,000	$0
Southwest Groundwater Consultants	1,000	1,000	$0
Other	450	450	$0
	$72,565	$72,565	$0

STATEMENT 5

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART I, LINE 18 - TAXES

Description	Revenue and Expenses per books	Net Investment Income	Disbursements for charitable purposes
Federal Income/Excise Taxes	$120,000	$0	$0
Property and Other Taxes	64,023	64,023	-
	$184,023	$64,023	$0

STATEMENT 6
95-3466880

THE STEELE FOUNDATION, INC.
FORM 990PF-2009, PART I, LINE 19 - DEPRECIATION

						Depreciable Basis				Accumulated Depreciation				Net Book
Asset Description	Date	Method	Life	Conv	Amount	12/31/2008	Additions	Disposals	12/31/2009	12/31/2008	Additions	Disposals	12/31/2009	Value
Furniture														
Refndgerator	6/15/2007	MSL	5 00	HY	614 00	614 00	-		614 00	184 20	122 80		307 00	307 00
File Cabinets	10/11/2007	MSL	7 00	HY	1,194 00	1,194 00	-		1,194 00	255 86	170 57		426 43	767 57
MC Desk & Console	10/31/2007	MSL	7 00	HY	2,938 00	2,938 00	-		2,938 00	629 57	419 71		1,049 28	1,888.72
Coffee Maker	12/3/2007	MSL	5 00	HY	141 00	141 00	-		141 00	42 30	28 20		70 50	70 50
Kitchen Table and Chairs	1/8/2008	MSL	5 00	HY	1,063 00	1,063 00	-		1,063 00	106 30	212 60		318 90	744 10
MC Chair	1/8/2008	MSL	5 00	HY	1,186 00	1,186 00	-		1,186 00	118 60	237 20		355 80	830 20
DC Office	1/8/2008	MSL	5 00	HY	1,537 00	1,537 00	-		1,537 00	153 70	307 40		461 10	1,075 90
Chair	4/7/2008	MSL	5 00	HY	1,049 00	1,049 00	-		1,049 00	104 90	209 80		314 70	734 30
Hickory Mirror	4/22/2008	MSL	5 00	HY	1,041 67	1,041 67	-		1,041 67	104 17	208 33		312 50	729 17
GF Desk and 6 Chairs	4/24/2008	MSL	5 00	HY	4,202 00	4,202 00	-		4,202 00	420 20	840 40		1,260 60	2,941.40
3 Chairs and Cube	5/1/2008	MSL	5 00	HY	836 00	836 00	-		836 00	83 60	167 20		250 80	585 20
DWR - Conference Table	5/7/2008	MSL	5 00	HY	4,032 00	4,032 00	-		4,032 00	403.20	806 40		1,209 60	2,822 40
File Cabinets	5/27/2008	MSL	5 00	HY	108 00	108 00	-		108 00	10 80	21 60		32 40	75 60
Fabric	5/27/2008	MSL	5 00	HY	2,349 00	2,349 00	-		2,349 00	234 90	469 80		704 70	1,644 30
Copenhagen Chairs	6/5/2008	MSL	5 00	HY	2,408 74	2,408 74	-		2,408 74	240 87	481 75		722 62	1,686 12
Crate & Barrell	6/9/2008	MSL	5 00	HY	2,084 71	2,084 71	-		2,084 71	208 47	416 94		625 41	1,459 30
Fabric	6/24/2008	MSL	5 00	HY	949 17	949 17	-		949 17	94 92	189 83		284 75	664 42
Pillows	6/30/2008	MSL	5 00	HY	820 00	820 00	-		820 00	82 00	164 00		246 00	574 00
Table	7/1/2008	MSL	5 00	HY	249 00	249 00	-		249 00	24 90	49 80		74 70	174 30
Chairs - Cupids	7/1/2008	MSL	5 00	HY	137 16	137 16	-		137 16	13 72	27 43		41 15	96 01
Copenhagen Chairs	7/7/2008	MSL	5 00	HY	708 20	708 20	-		708 20	70 69	141 64		212 33	495 87
					29,647 65	29,647 65	-	-	29,647 65	3,587 87	5,693 42	-	9,281 29	20,366.36
Leasehold Improvements														
General Improvements	4/3/2007	MSL	15 00	HY	15,000 00	15,000 00	-		15,000 00	1,500 00	1,000 00		2,500 00	12,500 00
General Improvements	4/17/2007	MSL	15 00	HY	15,000 00	15,000 00	-		15,000 00	1,500 00	1,000 00		2,500 00	12,500 00
General Improvements	5/24/2007	MSL	15 00	HY	15,000 00	15,000 00	-		15,000 00	1,500 00	1,000 00		2,500 00	12,500 00
General Improvements	6/8/2007	MSL	15 00	HY	6,150 00	6,150 00	-		6,150 00	615 00	410 00		1,025 00	5,125 00
General Improvements	6/21/2007	MSL	15 00	HY	2,301 00	2,301 00	-		2,301 00	230 10	153 40		383 50	1,917 50
Data Wiring	5/24/2007	MSL	5 00	HY	3,445 00	3,445 00	-		3,445 00	1,033 50	689 00		1,722 50	1,722 50
Cabinetry	6/8/2007	MSL	7 00	HY	8,850 00	8,850 00	-		8,850 00	1,896 43	1,264 29		3,160 72	5,689 28
Window Treatments	6/5/2008	MSL	7 00	HY	2,164 00	2,164 00	-		2,164 00	154 57	309 14		463 71	1,700 29
General Improvements	7/1/2008	MSL	15 00	HY	4,137 28	4,137 28	-		4,137 28	137 91	275 82		413.73	3,723 55
Window Treatments	7/31/2008	MSL	7 00	HY	1,046 59	1,046 59	-		1,046 59	74 76	149 51		224 27	822 32
General Improvements	7/31/2008	MSL	15 00	HY	1,200 00	1,200 00	-		1,200 00	40 00	80 00		120 00	1,080 00
General Improvements	7/1/2008	MSL	15 00	HY	1,196 84	1,196 84	-		1,196 84	39 92	79 79		119 71	1,077 13
					75,490 71	75,490 71	-	-	75,490 71	8,722 19	6,410 95	-	15,133 14	60,357.57

STATEMENT 6
95-3466880

THE STEELE FOUNDATION, INC.
FORM 990PF-2009, PART I, LINE 19 - DEPRECIATION

Asset Description	Date	Method	Life	Conv	Amount	Depreciable Basis 12/31/2008	Depreciable Basis Additions	Depreciable Basis Disposals	Depreciable Basis 12/31/2009	Accumulated Depreciation 12/31/2008	Accumulated Depreciation Additions	Accumulated Depreciation Disposals	Accumulated Depreciation 12/31/2009	Net Book Value
Office Equipment														
Laptop Computers	5/24/2007	MSL	5 00	HY	4,027 00	4,027 00	-		4,027 00	1,208 75	805 40		2,014 15	2,012 85
Fax/Copy Machine	9/27/2007	MSL	5 00	HY	653 00	653 00		653	-	195 90	65 30	261 2	-	-
PC Warranty	10/11/2007	MSL	5 00	HY	58 00	58 00	-		58 00	17 40	11 60		29 00	29 00
Color Printer	1/30/2008	MSL	5 00	HY	430 00	430 00	-		430 00	43 00	86 00		129 00	301 00
Access Software	4/30/2008	MSL	5 00	HY	225 00	225 00	-		225 00	22 50	45 00		67 50	157 50
Printer/Quicknet	5/7/2008	MSL	5 00	HY	117 00	117 00	-		117 00	11 70	23 40		35 10	81 90
Stereo Equipment	2/12/2008	MSL	5 00	HY	1,350 00	1,350 00	-		1,350 00	135 00	270 00		405 00	945 00
Scanner	6/2/2008	MSL	5 00	HY	434 00	434 00	-		434 00	43 40	86 80		130 20	303 80
Computer (AS)	6/10/2008	MSL	5 00	HY	1,102 21	1,102 21	-		1,102 21	110 29	220 44		330 73	771 48
New Fax/Copy Machine	3/10/2009	MSL	5 00	HY	746 69		746 69		746 69	-	74 67		74 67	672.02
Scanners (2)	6/4/2009	MSL	5 00	HY	923 09		923 09		923 09	-	92 31		92 31	830 78
Computer (MM)	7/21/2009	MSL	5 00	HY	943 66		943 66		943 66	-	94 37		94 37	849 29
Scanner	10/27/2009	MSL	5 00	HY	466 66		466 66		466 66	-	46 67		46 67	419 99
					11,476 31	8,396 21	3,080 10	653 00	10,823 31	1,787 94	1,921 95	261 20	3,448 69	7,374 62
Grand Total					116,614 67	113,534.57	3,080.10	653.00	115,961.67	14,098 00	14,026.32	261.20	27,863.12	88,098.55

STATEMENT 7

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART I, LINE 23 - OTHER EXPENSES

Description	Revenue and Expenses per books	Net Investment Income	Disbursements for charitable purposes
Bank Service Charges	$ 481	$ 481	$ -
Dues and Subscriptions	3,493	-	3,493
Insurance	29,169	29,169	-
Licenses and Permits	10	0	10
Office Supplies	3,224	-	3,224
Office Expense	5,215	-	5,215
Postage and Delivery	643	-	643
Real Estate Expenses	94,284	94,284	-
Miscellaneous	185	-	185
	$136,704	$123,934	$12,770

STATEMENT 8

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART II, LINE 10a - US & STATE GOVERNMENT OBLIGATIONS

Description	Beginning of Year Book Value	End of Year Book Value	End of Year Fair Market Value
JSF Financial, Inc.			
US Treasury Note, .88%, Due 4/30/11	-	175,024	175,210
US Treasury Note, 2.38%, Due 8/31/14	-	229,027	228,333
FHLMC 5.63% Due 3/15/11	-	201,528	201,120
FHLMC 4.13% Due 9/27/13	-	117,638	117,195
FNMA 3.00% Due 9/16/14	-	51,807	50,497
FNMA Pool #254766, 5.00%, Due 6/1/33	-	184,245	183,913
FNMA Pool #739821, 5.00%, Due 9/1/33	-	129,475	130,120
FNMA Pool #725027, 5.00%, Due 11/1/33	-	313,446	310,181
FNMA Pool #725424. 5 50%, Due 4/1/34	-	71,817	72,598
FNMA Pool #725425, 5 50%, Due 4/1/34	-	62,392	63,192
FNMA Pool #725423, 5.50%, Due 5/1/34	-	63,448	64,261
FNMA Pool #725704, 6.00%, Due 8/1/34	-	242,728	246,069
FNMA Pool #745418, 5.50%, Due 4/1/36	-	236,876	237,923
FHLMC Pool #G02227, 6 00%, Due 6/1/36	-	162,155	164,683
FNMA Pool #888129, 6.00%, Due 2/1/37	-	70,020	70,815
FNMA Pool #888823, 5.50%, Due 3/1/37	-	71,250	71,904
FNMA Pool #995050, 6.00%, Due 9/1/37	-	106,187	106,035
FHLMC Pool # G03447, 5.50%, Due 10/1/37	-	128,472	130,992
GNMA II Pool #4040, 6.50%, Due 10/20/37	-	129,384	130,936
GNMA Pool #698011, 5.50%, Due 1/15/39	-	111,928	114,072
GNMA Pool #701586, 5.50%, Due 1/15/39	-	112,048	112,831
Subtotal	-	2,970,894	2,982,878
TOTAL US & STATE GOVERNMENT OBLIG	**-**	**2,970,894**	**2,982,878**

STATEMENT 9

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART II, LINE 10b - INVESTMENTS - CORPORATE STOCK

Description	# Shares End of Year	Beginning of Year Book Value	End of Year Book Value	End of Year Fair Market Value
Haywood				
Uravan Minerals Inc	150,000	163,823	163,823	25,634
Verenex		89,077	-	-
		252,900	163,823	25,634
Wells Fargo Custody				
Abbott Laboratories	4,000	126,307	126,307	215,960
Allianz SE	5,000	100,900	100,900	62,250
Allied Irish Banks	5,000	119,350	119,350	17,550
Bank of America	3,000	353,100	613,700	451,800
Bemis Inc	10,000	298,000	298,000	296,500
Caterpillar	5,000	192,650	-	-
CBS *	5,628	158,822	-	-
Chevron Texaco	24,000	356,625	356,625	1,847,760
Cisco Systems	11,000	349,647	349,647	263,340
Colgate Palmolive Co	5,300	234,686	234,686	435,395
Exxon Mobil Corp	30,000	268,112	268,112	2,045,700
General Electric	16,620	480,509	480,509	251,461
Johnson & Johnson *	6,000	271,192	-	-
Lundin Mining Corp	10,000	111,563	111,563	40,500
Bank of America (fna Merrill Lynch Pref)	20,000	366,600	366,600	490,800
Mohawk Industries Inc Com	2,200	165,660	165,660	104,720
Mueller Water Products	1,652	35,731	35,731	8,590
3M Co	3,300	200,163	200,163	272,811
Pepsico	4,800	211,481	211,481	291,840
Renaissancere Hldgs Ltd Ser B	9,500	242,725	242,725	224,200
Time Warner *	7,000	416,518	-	-
Subtotal		5,060,341	4,281,759	7,321,177
Osterweis (Wells Fargo) *				
Agilent Technology	6,825	227,491	-	-
AT&T	11,015	392,492	-	-
Carrols Restaurant	26,075	389,455	-	-
Charles River Labs	3,580	204,520	-	-
Crown Holdings Inc	20,425	486,423	-	-
Expedia	9,200	108,132	-	-
Forest Oil	7,350	230,640	-	-
Healthsouth Rehabilitation	530	234,308	-	-
Johnson & Johnson	6,500	433,009	-	-
Laboratory Corp of America	3,255	226,140	-	-
McGraw-Hill Companies Inc	11,625	609,328	-	-
Medtronic	7,160	349,207	-	-
Merck	2,930	84,303	-	-
Nestle SA CHF 1 0	13,150	467,589	-	-
NV Energy	29,165	227,058	-	-
Questar	10,020	429,286	-	-
Republic Services Inc Cl A	11,490	317,687	-	-
Rockwood Holdings	4,680	182,286	-	-
Sempra Energy Com	4,100	232,443	-	-
Teleflex	4,350	221,485	-	-
Trian	39,250	392,500	-	-
Valeant Pharmacuticals Intl	14,225	234,439	-	-
Visa	5,175	227,700	-	-
Websense	21,425	460,666	-	-
Subtotal		7,368,587	-	-

STATEMENT 9

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART II, LINE 10b - INVESTMENTS - CORPORATE STOCK

Description	# Shares End of Year	Beginning of Year Book Value	End of Year Book Value	End of Year Fair Market Value
JSF Financial, Inc.				
Agilent Technology	3,825	-	131,404	118,843
Altria	2,500	-	47,384	49,075
AT&T	11,015	-	392,492	308,750
AOL	212	-	20,552	4,935
Carrols Restaurant	5,075	-	76,209	35,880
CBS	5,628	-	158,822	79,073
Charles River Labs	2,580	-	147,392	86,920
Crown Holdings Inc	10,425	-	243,139	266,672
Expedia	4,700	-	55,241	120,837
GAP Inc	3,000	-	63,004	62,850
Intel	2,000	-	38,554	40,800
Johnson & Johnson	12,500	-	704,201	805,125
Kroger	2,000	-	40,038	41,060
Laboratory Corp of America	3,255	-	226,140	243,604
McGraw-Hill Companies Inc	9,625	-	504,007	322,534
Medtronic	3,660	-	178,541	160,967
Merck	2,930	-	84,303	107,062
Nestle SA CHF 1 0	5,650	-	200,336	274,460
Questar	10,020	-	429,286	416,531
Republic Services Inc Cl A	6,490	-	179,442	183,732
Rockwood Holdings	2,680	-	104,386	63,141
Sempra Energy Com	4,100	-	232,443	229,518
Teleflex	4,350	-	221,485	234,422
Time Warner	2,333	-	292,703	67,984
Time Warner Cable	585	-	103,255	24,213
UTS Trian Acquisition Corp	34,250	-	342,500	337,363
Valeant Pharmacuticals Intl	7,225	-	118,272	292,683
Visa	3,475	-	152,900	303,924
Websense	21,425	-	460,826	374,081
Windstream	5,000	-	50,254	54,950
		-	5,999,512	5,711,989
GRAND TOTAL		12,681,828	10,445,093	13,058,800

* Asset transferred in 2009 to JSF Financial, Inc

STATEMENT 10

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART II, LINE 10c - INVESTMENTS - CORPORATE BONDS

Description	Beginning of Year Book Value	End of Year Book Value	End of Year Fair Market Value
Wells Fargo - Custody:			
John Deere Cap Corp, Med Term Note, 8/19/10	275,168	290,401	300,771
Western Union Co, 5 4%, 11/17/11	285,964	290,843	320,304
E.I. Du Pont De Nemours, 5.875%, 1/15/14	200,887	200,711	220,928
General Electric Cap Corp, 5.25%, 10/19/12	296,533	297,445	319,266
Paccar Inc., 6.875%, 2/15/14	-	102,006	112,806
Verisign Inc, 3.25%, 8/12/37	249,486	-	-
Reliance Group Hldgs Inc, 9.00%, 1/15/00	-	-	-
	1,308,037	1,181,405	1,274,075
JSF Financial, Inc.			
ABBOTT LABS, 5.875%, 5/15/16	-	48,492	49,724
BANK AMER FDG CORP, 7 375%, 5/15/14	-	51,864	56,616
BANK AMER CORP, 5.75%, 12/1/17	-	13,128	15,488
BANK AMER, 7.625%, 6/14/19	-	24,822	28,878
BHP BILLITON FINANCE LTD, 4.80%, 4/15/13	-	52,110	52,972
BP CAP MKTS P L C, 5.25%, 11/4/13	-	26,506	27,257
COCA COLA CO, 3.625%, 3/15/14	-	30,547	30,985
CONOCO PHILLIPS, 4.60%, 1/15/15	-	19,984	21,254
CVS, 6.60%, 3/15/19	-	47,449	49,241
DEVON FINANCING CORP, 6 875%, 9/30/11	-	48,047	48,751
DR PEPPER SNAPPLE GROUP INC., 6 82%, 5/1/18	-	50,281	55,984
DUKE, 6.60%, 3/15/19	-	53,127	54,801
EDS CORP, 6.00%, 8/1/13	-	48,284	49,728
FPL GROUP CAP INC, 6.00%, 3/1/19	-	47,544	48,301
GE CAP CORP, 5.625%, 5/1/18	-	52,670	56,032
GENERAL ELECTRIC Co, 5.25%, 12/6/17	-	49,694	50,999
GENERAL MILLS INC, 5.65%, 2/15/19	-	51,244	52,571
GLAXOSMITHKLINE CAP INC, 5.65%, 5/15/18	-	47,281	48,535
GOLDMAN SACHS GROUP, 6.00%, 5/15/14		51,269	54,477
JP MORGAN CHASE & CO, 4.195%, 5/1/13	-	20,337	21,107
JP MORGAN CHASE & CO, 6.30%, 4/23/19	-	15,048	16,481
KELLOGG CO, 4.45%, 5/30/16	-	24,940	25,486
KINDERMORGAN, 5 95%, 2/15/18	-	28,353	31,489
KROGER, 7 50%, 1/15/14	-	50,308	51,376
MCDONALDS CORP, 5.80%, 10/15/17	-	48,254	50,079
METLIFE, 6.75%, 6/1/13	-	24,946	28,027
MICROSOFT, 4 20%, 6/1/19	-	49,623	49,455
ORACLE, 5.75%, 4/15/18	-	47,960	48,395
PFIZER INC, 6.20%, 3/15/19	-	48,526	49,845

STATEMENT 10

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART II, LINE 10c - INVESTMENTS - CORPORATE BONDS

Description	Beginning of Year Book Value	End of Year Book Value	End of Year Fair Market Value
RIO TINTO FIN USA LTD, 5.875%, 7/15/13	-	24,393	27,011
ROGERS COMM INC, 6 80%, 8/15/18	-	47,054	50,473
SOUTHERN CALIF EDISON, 5.00%, 1/15/16	-	51,305	52,000
TIME WARNER, 6 875%, 5/1/12	-	52,144	54,701
US BANCORP, 4.20%, 5/15/14	-	50,536	51,835
VEOLIA ENVIRONMENT, 5.25%, 6/3/13	-	50,668	53,311
VERIZON, 6.10%, 4/15/18	-	51,129	54,248
VODAFONE GROUP PLC NEW, 4.15%, 6/10/14	-	49,924	51,743
WELLS FARGO & CO, 4.375%, 1/31/13	-	50,027	51,574
	-	**1,599,817**	**1,671,231**
	1,308,037	**2,781,222**	**2,945,306**

STATEMENT 11

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART II, LINE 11 - INVESTMENTS - LAND, BUILDINGS & EQUIPMENT

Description	Beginning of Year Book Value	End of Year Book Value	End of Year Fair Market Value
LAND			
Casa Grande - Land	15,000	15,000	350,000
Willis Road - Land	109,103	109,103	592,000
Algers - Land	2,000,000	2,000,000	260,000
Duckett - Land	1,683,910	1,683,910	239,000
Marina Coves - Land	745,322	745,322	227,000
Sedona Lot	500,000	500,000	500,000
Spring Creek Ranch	6,518,184	6,518,184	3,125,000
89 Creek	0	2,200,000	711,000
Cornerstone Office Condo	0	350,000	340,000
Green Reservoir - Land	0	3,072,000	3,072,000
	11,571,519	17,193,519	9,416,000
TOTAL	**11,571,519**	**17,193,519**	**9,416,000**

STATEMENT 12

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART II, LINE 13 - INVESTMENTS - OTHER

Description	Beginning of Year Book Value	End of Year Book Value	End of Year Fair Market Value
MUTUAL FUNDS:			
Wells Fargo - Custody			
PIMCO High Income Fund	11,430	11,430	10,850
Subtotal	11,430	11,430	10,850
JSF Financial, Inc.			
Osterweis Strategic Income Bond Fund	7,537,361	320,639	338,225
Loomis Sayles Investment	-	1,042,647	1,194,237
Payden Emerging Markets Fund	-	251,853	252,232
Payden High Income Fund	-	779,780	849,266
PIMCO Commodity Real Return	-	214,158	255,593
PIMCO - Global Multi-Asset Fund	-	108,072	102,201
PIMCO - Short Term Fund- CL A	-	603,652	604,874
Van Kampen Harbor Class A	-	767,785	952,725
Virtus Multi Sector Short	-	251,201	252,292
	7,537,361	4,339,788	4,801,645
OTHER INVESTMENTS:			
Beacon Capital	1,590,000	1,590,000	423,249
TOTAL	**$9,138,791**	**$5,941,218**	**$5,235,744**

STATEMENT 13

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART II, LINE 15 - OTHER ASSETS

Description	Beginning of Year Book Value	End of Year Book Value	End of Year Fair Market Value
INVESTMENT IN LIMITED LIABILITY COMPANIES			
ALJ Capital II, LP	$ -	$ 1,640,027	$ 1,730,665
PWB Value Partners, LLC	1,959,783	-	-
EDHI Douglas Ranch, LLC	798,965	810,042	810,042
EDHI Trillium, LLC	274,687	272,846	272,846
Steel Canyon Capital, LLC	1,720,812	1,560,220	1,906,291
	$ 4,754,247	$ 4,283,135	$ 4,719,844

STATEMENT 14

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART II, LINE 19 - DEFERRED REVENUE

Description	Beginning of Year Book Value	End of Year Book Value	Gain (Statement 15)

Note:
In 2005 the Foundation sold a section of land called Stanfield Sec. 11. This sale was accounted for using the installment sales method as a mortgage were taken back on the transaction In November of 2009 the Foundation foreclosed on the borrower and took possession of the property and recorded the real estate at our basis of $2.2 million with no gain or loss per Sec. 1238. The land was resold in December of 2009 to another party and accounted for under the installment sale method as a mortgage was taken back on the sale to the new borrower. Cash was received on the sale and a gain recognized based on the gross profit %.

The Foundation refinanced several loans in the mortgage portfolio and prepaid interest was withheld from the borrower. This interest is deferred under the original issue discount rules. Finally, in 2009 the Foundation's investment advisor sold some covered calls on some stocks held in the portfolio. The proceeds are deferred until the calls are either exercised or expire.

Deferred Installment gain #1	15,762,429	-	-
Deferred Installment gain #2	-	1,583,606	173,223
Deferred Interest Income	275,221	97,167	-
Deferred Income - Calls Sold	-	19,667	-
TOTAL	**$16,037,650**	**$1,700,440**	**$173,223**

STATEMENT 15

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART IV - CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

1(a) Descnption of Property sold	(b) P/D	(c) Date acq'd	(d) Date sold	(e) Gross Sales Pnce	(f) Cost / Basis	(g) Gain or (loss)
Securities:						
Haywood Securities						
Verenex	P	04/22/08	02/26/09	67,421	89,077	(21,657)
				67,421	**89,077**	**(21,657)**
Wells Fargo - Custody						
SPDR Gold Trust	P	02/09/09	04/03/09	157,379	149,570	7,809
Healthsouth Preferred	P	04/14/09	05/06/09	236,968	234,308	2,660
Market Vectors EFT	P	02/09/09	05/21/09	163,256	149,732	13,524
Caterpillar	P	12/08/08	10/06/09	249,044	192,650	56,394
				806,647	**726,260**	**80,386**
Wells Fargo - Osterweis						
NV Energy	P	10/16/08	01/02/09	294,457	227,058	67,399
				294,457	**227,058**	**67,399**
JSF Financial						
Vensign Bond	P	12/18/08	04/17/09	263,055	250,524	12,531
Forest Oil	P	01/26/07	04/14/09	116,002	230,640	(114,638)
Carrols Restaurant Group	P	03/29/07	04/28/09	25,495	74,680	(49,184)
Carrols Restaurant Group	P	03/29/07	04/29/09	29,995	74,680	(44,685)
PIMCO Short Term Fund - CL A	P	04/28/09	04/28/09	50,000	49,895	105
Osterweis Strategic Income Fund	P	02/02/07	05/01/09	2,499,996	2,729,023	(229 027)
Osterweis Strategic Income Fund	P	02/02/07	05/06/09	2,499,996	2,715,736	(215,740)
Osterweis Strategic Income Fund	P	02/02/07	05/14/09	199,996	215,997	(16,001)
Osterweis Strategic Income Fund	P	02/02/07	05/22/09	499,996	536,874	(36,878)
PIMCO Short Term Fund - CL A	P	04/21/09	05/12/09	50,000	49,478	522
Carrols Restaurant Group	P	07/10/07	05/08/09	34,995	73,697	(38,702)
Call exercised - Visa	P	04/24/09	05/15/09	1,746	-	1,746
Visa	P	03/25/08	05/15/09	110,493	74,800	35,693
Osterweis Strategic Income Fund	P	09/23/08	06/19/09	499,996	525,746	(25,750)
PIMCO Short Term Fund - CL A	P	05/12/09	06/28/09	50,000	49,117	883
Calls Expired - Agilent & CBS	P	04/27/09	06/20/09	2,077	-	2,077
Carrols Restaurant Group	P	07/10/07	06/26/09	31,465	90,148	(58,683)
Nestle	P	12/12/06	06/26/09	94,994	88,895	6,098
Powershares	P	05/18/09	06/10/09	27,573	25,007	2,565
FHLMC 2 5%, Due 4/23/14	P	05/14/09	06/29/09	98,120	100,012	(1,892)
FHLMC 3 0%, Due 7/28/14	P	06/19/09	06/29/09	129,718	129,670	48
US Treasury Note 3 00%, Due 4/30/14	P	05/14/09	06/19/09	144,857	149,291	(4,434)
PIMCO Short Term Fund - CL A	P	04/21/09	07/09/09	50,000	48,972	1,028
Osterweis Strategic Income Fund	P	09/23/08	07/20/09	249,995	284,007	(34,012)
Call Exercised -Expedia	P	04/22/09	07/18/09	4,271	-	4,271
Expedia	P	10/24/08	07/18/09	56,245	52,891	3,354
Call Expired - Questar	P	05/11/09	07/18/09	4,196	-	4,196
Call Exercised - Republic Service	P	05/04/09	07/18/09	3,246	-	3,246
Republic Services, Inc	P	12/15/06	07/18/09	124,993	138,245	(13,252)
Websense	P	04/22/09	07/18/09	6,996	-	6,996
Citigroup	P	05/12/09	07/09/09	13,996	19,613	(5,618)
Ishares Trust - 20+ Year Treasury Bond Fund	P	06/23/09	07/02/09	103,543	99,916	3,628
Ishares Trust - 20+ Year Treasury Bond Fund	P	06/23/09	07/31/09	70,584	69,059	1,525
Nestle	P	09/25/08	07/23/09	99,993	88,851	11,143
Powershares	P	06/25/09	07/01/09	27,565	24,743	2,823
Powershares	P	06/10/09	07/01/09	25,468	25,007	461
Pimco Commodity Real Return Mutual Fund	P	06/26/09	07/09/09	79,155	75,008	4,147
Proshares Ultrashort Lehman	P	07/13/09	07/14/09	75,374	75,199	175
FNMA, 1 375%, Due 4/28/11	P	05/14/09	07/10/09	100,649	100,359	290
National Rural Utilities Coop Finl	P	05/29/09	07/29/09	26,593	26,103	490
Agilent Technologies	P	05/14/08	08/22/09	68,506	96,087	(27,581)
Call Expired - Charles River Labs	P	04/20/09	08/24/09	1,192	-	1,192

STATEMENT 15

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART IV - CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

1(a) Description of Property sold	(b) P/D	(c) Date acq'd	(d) Date sold	(e) Gross Sales Price	(f) Cost / Basis	(g) Gain or (loss)
Call Expired - Laboratory Corp	P	05/08/09	08/22/09	2,771	-	2,771
Call Expired - McGraw Hill	P	05/08/09	08/22/09	6,496	-	6,496
Medtronic	P	11/26/07	08/22/09	135,089	170,666	(35,578)
Call Expired - Questar Corp	P	07/21/09	08/22/09	1,996	-	1,996
Rockwood	P	06/17/08	08/22/09	28,591	77,900	(49,309)
Ishares Trust - 20+ Year Treasury Bond Fund	P	07/21/09	08/17/09	207,829	206,075	1,753
Proshares Ultra Financials	P	08/17/09	08/18/09	53,995	52,386	1,609
FHLMC Pool paydowns	P	Various	08/31/09	54,138	56,401	(2,263)
US Treasury Note 2 63%, Due 6/30/14	P	06/30/09	08/31/09	232,085	230,486	1,599
FHLMC Pool paydowns	P	Various	09/30/09	45,770	42,936	2,834
US Treasury Note 3 125%, Due 5/15/19	P	05/15/09	09/11/09	72,761	75,066	(2,304)
Valeant	P	06/11/07	09/23/09	164,138	116,167	47,971
Nestle	P	12/12/06	09/16/09	104,993	89,462	15,531
McGraw Hill Companies	P	10/10/07	09/30/09	49,535	105,321	(55 786)
Call Expired - Visa	P	05/14/09	09/19/09	2,396	-	2,396
Call Expired - J&J	P	07/31/09	09/19/09	1,746	-	1,746
Call Expired - Teleflex	P	04/29/09	10/17/09	3,246	-	3,246
Crown Holdings	P	04/23/07	10/16/09	133,238	122,311	10,927
Spector Financial	P	10/16/09	10/26/09	97,964	98,804	(840)
FHLMC/FNMA Pool paydowns	P	Various	10/31/09	201,700	202,212	(512)
FNMA, 1 750%, Due 8/10/12	P	07/10/09	10/02/09	110,548	109,925	623
PIMCO Short Term Fund - CL A	P	04/21/09	11/19/09	50,000	48,089	1,911
PIMCO Short Term Fund - CL A	P	11/13/09	11/19/09	52,835	52,616	219
Osterweis Strategic Income Fund	P	09/23/08	11/12/09	249,996	233,655	16,341
Call Expired - McGraw Hill	P	08/27/09	11/21/09	5,996	-	5,996
Charles River Laboratories	P	04/24/08	11/09/09	16,979	28,564	(11,586)
Charles River Laboratories	P	04/24/08	11/23/09	15,996	28,564	(12,569)
Deutsche BK Ag London	P	09/15/09	11/27/09	18,856	22,254	(3,398)
Ishares Inc - MSCI BRIC Index FD ETF	P	08/07/09	11/02/09	43,623	39,904	3,719
Powershares	P	VArious	11/02/09	134,393	129,388	5,005
Standard & Poors Depository	P	08/07/09	11/02/09	36,745	35,098	1,647
FHLMC/FNMA Pool paydowns	P	Various	11/30/09	201,188	200,640	548
Visa Call Expired	P	09/23/09	12/20/09	1,646	-	1,646
Crown Holdings	P	04/23/07	12/02/09	124,493	120,973	3,520
PIMCO Short Term Fund - CL A	P	10/29/09	12/31/09	99,996	99,593	403
FHLMC/FNMA Pool paydowns	P	Various	12/31/09	56,281	58,682	(2 401)
				11,473,168	12,312,111	(838,943)
Total Securities Gains/ (Losses)				12,641,692	13,354,507	(712,815)
Loss on Mortgage Loans						-
Cornerstone Shadow Ridge (Foreclosure)		02/28/07	10/15/09	350,000	555,201	(205,201)
Green Reservoir		06/08/05	11/15/09	3,072,000	4,000,000	(928,000)
				3,422,000	4,555,201	(1,133,201)
Gain on Real Estate (Installment)			12/30/09			173,223
Total Gains/(losses) per Line 6(a), column (a)				16,063,692		(1,672,793)
Total Gains/(Losses) per Line 7, column (b)						0

STATEMENT 16

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART VIII - LIST OF OFFICERS, DIRECTORS AND TRUSTEES

Name and Address	Title, Ave. Hours per Week Devoted to Position	Compensation	Contributions to Employee Benefit Plans & Deferred Comp	Expense Account, Other Allowances
Daniel Cracchiolo PO Box 1112 Phoenix, Arizona 85001	Chairman/Director 20-25 Hours	$125,000	$0	$0
Marianne Cracchiolo Mago PO Box 1112 Phoenix, Arizona 85001	President/Director 40 Hours	201,765	0	0
Gail Flinn PO Box 1112 Phoenix, Arizona 85001	Chief Financial Officer and Secretary 25 Hours	74,181	10,000	0
Dr. Andrea Cracchiolo, III PO Box 1112 Phoenix, Arizona 85001	Director 1-2 Hours	0	0	0
W Bryant Stooks PO Box 1112 Phoenix, Arizona 85001	Director 1-2 Hours	0	0	0
Total		$400,946	$10,000	$0

STATEMENT 17

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART XV, Line 3a - CONTRIBUTIONS PAID DURING THE YEAR

Name	Relationship to Fdtn. Mgr or Substantial Contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Alliance for Audience 13416 N 32nd St, Suite 106, Phoenix, AZ 85032	N/A	Public	Showup com Expansion	$ 10,000
American Cancer Society 4550 E Bell Road Suite 126, Phoenix, AZ 85032	N/A	Public	Hope Lodge	50,000
American Heart Association 2929 S 48th St, Tempe, AZ 85282	N/A	Public	Healthy Schools Program	20,000
Andre House PO BOX 2014, Phoenix, AZ 85001	N/A	Public	Soup Kitchen/Operations	10,000
Ara Parseghian Med Found 3530 E Campo Abierto, Suite 105, Tucson, AZ 85718	N/A	Public	Research	25,000
ARCS Foundation 3104 E Camelback Rd, PMB 374, Phoenix, AZ 85016	N/A	Public	Scholarship	7,000
Arizonan's for Children 2435 E La Jolla Drive, Tempe, AZ 85282	N/A	Public	Operations	20,000
Assoc of Small Foundations 4905 Del Ray Ave , Suite 200, Bethesda, MD 20814	N/A	Public	Operations	250
AZ Center for Afterschool Exce 700 W Campbell Ave , Suite 3, Phoenix,, AZ 85013	N/A	Public	Operations	5,000
AZ College Scholarship Found 1430 E Missouri Ave B-205, Phoenix, AZ 85014	N/A	Public	Scholarships	25,000
AZ Community Foundation 2201 E Camelback Road, Suite 202, Phoenix, AZ 85016	N/A	Public	Summer Youth Prgram	25,000
AZ Science Center 600 E Washington St,Phoenix, AZ 85004	N/A	Public	Campaign Expansion	200,000
Be a Leader Foundation 6850 N Central Avenue, Phoenix, AZ 85012	N/A	Public	Operations/Mentors	1,000
Bridging AZ Furniture Bank 25 N Extension Mesa, AZ 85201	N/A	Public	Operations/Furniture Bank	15,000
Career Concepts for Youth PO BOX 32864, Phoenix, AZ 85064	N/A	Public	Operations/Mentors	150
Children's Action Alliance 4001 N 3td St , Suite 160, Phoenix, AZ 85012	N/A	Public	Operations	1,500
Children's Angel Foundation Hacienda Healthcare, 1402 E South Mountain Ave , Phoenix, AZ 85042	N/A	Public	Dental Clinic	10,000
Children's Museum of Phx PO BOX 2439, Phoenix, AZ 85002-2439	N/A	Public	Capital Campaign	100,000
Children's Museum of Phx PO BOX 2439, Phoenix, AZ 85002-2439	N/A	Public	Brain Time at CMoP	25,000
Cochise College 4190 West State Highway 80, Douglas, AZ 85607-6190	N/A	Public	Operations	25,000
Crisis Nursery	N/A	Public	Operations/Crisis Center	50,000

STATEMENT 17

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART XV, Line 3a - CONTRIBUTIONS PAID DURING THE YEAR

Name	Relationship to Fdtn. Mgr or Substantial Contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
2334 E Polk St, Phoenix, AZ 85006				
Desert View Learning Center 4027 E. Lincoln Dr ,Paradise Valley, AZ 85253	N/A	Public	Operations	10,000
Emerge Center 2545 E. Adamst St, Tucson, AZ 85716	N/A	Public	DV Shelter	15,000
Esperanca 1911 W Earll Drive, Phoenix, AZ 85015	N/A	Public	Operations	10,000
Family Promise 546 E Osborn Road Suite 6, Phoenix, AZ 85012	N/A	Public	Emergency Housing	25,000
Florence Immig & Refugee Prj 300 S Main St, PO BOX 654, Florence, AZ 85232	N/A	Public	Operations	35,000
Franciscan School of Theology 1712 Euclid Ave,Berkley, CA 94709	N/A	Public	Operations	15,000
Free Arts of Arizona 103 W Highland Avenue, Phoenix, AZ 85013	N/A	Public	Intersession Camp for Kids	35,000
Gabriel's Angels 220 South Mulberry Street, Mesa, AZ 85202	N/A	Public	Animal Therapy	15,000
Girls for a Change PO BOX 62352, Phoenix, AZ 85082	N/A	Public	Mentorship/Club	10,000
Great Hearts Academies 7135 E Camelback Rd #190, Scottsdale, AZ 85251	N/A	Public	End of Year Grant	28,500
Great Hearts Academies 7135 E Camelback Rd #190, Scottsdale, AZ 85251	N/A	Public	Capital Campaign	50,000
Heard Museum 2301 N Central Ave, Phoenix, AZ 85004	N/A	Public	Operations	25,000
Heard Museum 2301 N Central Ave, Phoenix, AZ 85004	N/A	Public	Operations	15,000
Helping Hands Housing Services 3837 E Wier Ave., Suite 4, Phoenix, az 85040	N/A	Public	Summer Camp	6,500
Homebase Youth Services 931 E Devonshire Ave, Phoenix, AZ 85014	N/A	Public	Operations	2,000
Homeward Bound 2302 W Colter St, Phoenix, AZ 85015	N/A	Public	Operations	50,000
Human Services Campus 1125 W Jackson St., Phoenix, AZ 85007	N/A	Public	Operations	360,000
Jewish Community Center 12701 N Scottsdale Rd, Ste 203, Scottsdale, AZ 85254	N/A	Public	Scholarhsips	5,000
Liberty Wildlife PO BOX 14345, Scottsdale, AZ 85267	N/A	Public	Animal Rescue	50,000

STATEMENT 17

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART XV, Line 3a - CONTRIBUTIONS PAID DURING THE YEAR

Name	Relationship to Fdtn. Mgr or Substantial Contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Maggie's Place PO BOX 1102, Phoenix, AZ 85001	N/A	Public	Operations	20,000
Musica Nova 23233 N Pima Road, DSuite 113, Scottsdale, AZ 85255	N/A	Public	Operations	2,500
New Directions Institute/ACA 4500 N 32nd St Suite 206, Phoenix, AZ 85018	N/A	Public	Operations	10,000
New Directions Institute/ACA 4500 N 32nd St. Suite 206, Phoenix, AZ 85018	N/A	Public	Brain Time at CMoP	50,000
New Mexico Highlands Univ PO BOX 9000, Las Vegas, NM 87701	N/A	Public	Operations	10,000
Phoenix Zoo 455 N Galvin Parkway, Phoenix, AZ 85008	N/A	Public	TFA Class Trip to Zoo	150
Planned Parenthood Cntrl/North 5651 N 7th St Phoenix, AZ 85014	N/A	Public	Capital Campaign	50,000
POPSICLE 8711 E Pinnacle Peak Rd , #290, Scottsdale, AZ 85255	N/A	Public	Operations	15,000
Rancho Feliz 6910 E 5th Ave, Scottsdale, AZ 85251	N/A	Public	Operations	5,000
Rodel Foundation 6720 N Scottsdale Rd Suite 380, Scottsdale, AZ 85253	N/A	Public	MACRO Math Initiative	22,000
Ronald McDonald House 501 E Roanoke Ave, Phoenix, AZ 85004	N/A	Public	Operations/New Home	25,000
Ryan House PO BOX 16234, Phoenix, AZ 85011-6234	N/A	Public	Capital Campaign	100,000
Society of St Vincent DePaul PO BOX 13600, Phoenix, AZ 85002	N/A	Exempt	Operations	5,000
Society of St. Vincent DePaul PO BOX 13600, Phoenix, AZ 85002	N/A	Exempt	Operations	102,500
Sojourner Center PO BOX 20156, Phoenix, AZ 85036	N/A	Public	DV Shelter	10,000
St Augustine Catholic HS 8800 E 22nd St, Tucson, AZ 85710	N/A	Exempt	Capital Campaign	150,000
St John Vianney School 539 La Pasada Boulevard, Goodyear, AZ 85338	N/A	Exempt	Scholarships	57,000
St Joseph's Foundation 350 W Thomas Rd , Phoenix, AZ 85013	N/A	Exempt	Child Study Center	50,000
St Mary's Food Bank 2831 N 31st Ave, Phoenix, AZ 85009	N/A	Exempt	Operations	100,000
Starlight Children's Found One Renaissance Square North Central Ave Suite 170 , Phoenix, AZ 85001	N/A	Public	Operations	5,000

STATEMENT 17

THE STEELE FOUNDATION, INC. **95-3466880**

FORM 990PF-2009, PART XV, Line 3a - CONTRIBUTIONS PAID DURING THE YEAR

Name	Relationship to Fdtn. Mgr or Substantial Contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
SWC HIV/AIDS/Body Positive 1144 E McDowell Road, Suite 200, Phoenix, AZ 85006	N/A	Public	Operations	1,000
Teach for America 3030 N Central Ave, Suite 900, Phoenix, AZ 85012	N/A	Public	Teacher Sponsorships	100,000
Teach for America 3030 N Central Ave, Suite 900, Phoenix, AZ 85012	N/A	Public	End of Year Grant	50,000
Tucson AZ Boys Chorus 5770 E Pima Street, Tucson, AZ 85712	N/A	Public	Capital Campaign	50,000
United Methodist Outreach Ministries (UMOM) 3320 E Van Buren, Phoenix, AZ 85008	N/A	Public	Playground/Capital Camp	100,000
UofA Cancer Center 1111 North Cherry Ave, Tucson, AZ 85721	N/A	Public	Operations	10,000
UofA DC Law Library 1201E Speedway, PO BOX 210176, Tucson, AZ 85721	N/A	Public	School of Law	265,958
UofA Humanities 1111 N Cherry Ave, Po Box 210109, Tucson, AZ 85721	N/A	Public	Operations	50,000
UofA Nursing 1111 N Cherry Ave, Po Box 210109, Tucson, AZ 85721	N/A	Public	Operations	200,000
UofA Steele Childrens 1501 N Campbell, PO BOX 245073, Tucson, AZ 85724	N/A	Public	Operations/Dr. Recruiters	184,000
Valle Del Sol 4117 N 17th St, Phoenix, AZ 85016	N/A	Public	Operations	10,000
Wellness Community AZ 360 E Palm Lane, Phoenix, AZ 85004	N/A	Public	Kid2Kid/Family2Family	25,000
Wings of Angels Foundation 1552 12th St Douglas, AZ 85607	N/A	Public	Operations	4,000
Wisconsin Breast Cancer 2600 W Hunter Circle, Milwaukee, WI 53209	N/A	Public	Operations	5,000
YNPN P O Box 34405 Phoenix, AZ 85067	N/A	Public	Professional Development	12,000
Youth at Risk 1001 E Pierce Street, Phoenix, AZ 85006	N/A	Public	Mentors/Family Classes	30,000
Total				$ 3,273,008

STATEMENT 18

THE STEELE FOUNDATION, INC. 95-3466880

FORM 990PF-2009, PART XV, Line 3b - CONTRIBUTIONS APPROVED IN 2009 FOR FUTURE PAYMENT

Name and Address	Relationship to Fdtn Mgr or Substantial Contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
American Cancer Society 7550 E Bell Road, Suite 126 Phoenix, AZ 85032	N/A	Public	Hope Lodge Campaign	$ 100,000
AZ Community Foundation 2201 E Camelback Road, Suite 202, Phoenix, AZ 85016	N/A	Public	Scholarships	25,000
Crisis Nursery 2334 E Polk Phoenix, AZ 85006	N/A	Public	Operations	150,000
City of Phoenix Pools City Hall, 16th Floor, 200 W. Washington Street Phoenix, AZ 85003	N/A	Public	Pool Sponsorships	30,000
Desert Botanical Garden 1201 N Galvin Parkway Phoenix, AZ 85008	N/A	Public	Monarch Butterfly Exhibit	25,000
Homeward Bound 2302 West Colter St Phoenix, AZ 85015	N/A	Public	DV Housing/Program	150,000
Maggie's Place PO BOX 1102, Phoenix, AZ 85001	N/A	Public	Magdalene House Renovation	10,000
Rodel Foundation 6720 N Scottsdale Rd Suite 380, Scottsdale, AZ 85253	N/A	Public	MACRO Program	22,000
Total				$ 412,000 00

Form **8868** (Rev April 2009) Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

► **File a separate application for each return.**

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . ► ☐
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I — Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only . . . . . . ► ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (*e-file*). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Type or print File by the due date for filing your return See instructions	Name of Exempt Organization	**Employer identification number**
	Number, street, and room or suite no. If a P O. box, see instructions	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	

Check type of return to be filed (file a separate application for each return):

☐ Form 990	☐ Form 990-T (corporation)	☐ Form 4720
☐ Form 990-BL	☐ Form 990-T (sec. 401(a) or 408(a) trust)	☐ Form 5227
☐ Form 990-EZ	☐ Form 990-T (trust other than above)	☐ Form 6069
☑ Form 990-PF	☐ Form 1041-A	☐ Form 8870

- The books are in the care of ► ______________________

Telephone No ► (______) ______________ FAX No. ► (______) ______________

- If the organization does not have an office or place of business in the United States, check this box . . . . ► ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN)________. If this is for the whole group, check this box . . . . ► ☐. If it is for part of the group, check this box . . . . . . ► ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until ______________, 20____, to file the exempt organization return for the organization named above. The extension is for the organization's return for

► ☐ calendar year 20______ or

► ☐ tax year beginning ______________, 20_____, and ending ______________, 20______.

2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	**3a**	$
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	**3b**	$
c	**Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	**3c**	$

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . ▶ ☑

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print	Name of Exempt Organization The Steele Foundation, Inc.	**Employer identification number** 95 3466880
File by the extended due date for filing the return See instructions	Number, street, and room or suite no If a P O. box, see instructions P.O. Box 1112	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions Phoenix, AZ 85001	

Check type of return to be filed (File a separate application for each return):

☐ Form 990 ☑ Form 990-PF ☐ Form 1041-A ☐ Form 6069
☐ Form 990-BL ☐ Form 990-T (sec. 401(a) or 408(a) trust) ☐ Form 4720 ☐ Form 8870
☐ Form 990-EZ ☐ Form 990-T (trust other than above) ☐ Form 5227

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ The Steele Foundation, Inc.

Telephone No. ▶ (602) 850-9804 FAX No. ▶ (602) 850-9814

- If the organization does not have an office or place of business in the United States, check this box . . . . ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box . . . . . ▶ ☐ . If it is for part of the group, check this box. . . . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until November 15, 20 10

5 For calendar year ______, or other tax year beginning ______, 20____, and ending ______, 20____

6 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension
Our annual audit has not yet been completed therefore our final financial information is not available to complete an accurate return for the tax year ending Decmeber 31, 2009.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	**8a**	$ 120000
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	**8b**	$ 120000
c	**Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	**8c**	$ 0

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ Gail Fl Title ▶ Chief Financial Officer Date ▶ 08/09/10

GAIL FLINN

Form **8868** (Rev April 2009) Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . ▶ ☑
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I **Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only . . . . ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (*e-file*). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Type or print	Name of Exempt Organization THE STEELE FOUNDATION, INC.	**Employer identification number** 95 3466880
File by the due date for filing your return See instructions	Number, street, and room or suite no If a P O box, see instructions P.O. BOX 1112	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions PHOENIX, AZ 85012	

Check type of return to be filed (file a separate application for each return)

☐ Form 990	☐ Form 990-T (corporation)	☐ Form 4720
☐ Form 990-BL	☐ Form 990-T (sec. 401(a) or 408(a) trust)	☐ Form 5227
☐ Form 990-EZ	☐ Form 990-T (trust other than above)	☐ Form 6069
☑ Form 990-PF	☐ Form 1041-A	☐ Form 8870

- The books are in the care of ▶ THE STEELE FOUNDATION, INC

Telephone No. ▶ (602) 850-9804 FAX No. ▶ (602) 850-9814

- If the organization does not have an office or place of business in the United States, check this box . . . . ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN)________. If this is for the whole group, check this box . . . . . . ▶ ☐ . If it is for part of the group, check this box . . . . . . ▶ ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2010, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ ☑ calendar year 2009 or

▶ ☐ tax year beginning ________, 20___, and ending ________, 20___.

2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$ 120,000 00
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$ 120,000 00
c	**Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ -0-

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . ▶ ☐

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print	Name of Exempt Organization	**Employer identification number**
File by the extended due date for filing the return See instructions	Number, street, and room or suite no If a P O box, see instructions	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions	

Check type of return to be filed (File a separate application for each return)·

☐ Form 990 ☐ Form 990-PF ☐ Form 1041-A ☐ Form 6069
☐ Form 990-BL ☐ Form 990-T (sec 401(a) or 408(a) trust) ☐ Form 4720 ☐ Form 8870
☐ Form 990-EZ ☐ Form 990-T (trust other than above) ☐ Form 5227

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of ▶

Telephone No. ▶ ( ) FAX No. ▶ ( )

• If the organization does not have an office or place of business in the United States, check this box . . . . ▶ ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ________ . If this is for the whole group, check this box . . . . . . ▶ ☐ . If it is for part of the group, check this box. . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until ________, 20____.

5 For calendar year ______, or other tax year beginning ________, 20____, and ending ________, 20____.

6 If this tax year is for less than 12 months, check reason· ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a	$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	$
c	**Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	8c	$

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ Title ▶ CHIEF FINANCIAL OFFICER Date ▶ 05-13-10