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Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

OMB No 1545-0052

2009Department of the Treasury
Internal Revenue Service

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

For calendar year 2009, or tax year beginning JUL 1, 2009, and ending JUN 30, 2010

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 Hardeman-Steele Foundation, Inc.		A Employer identification number 64-0853619
	Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number 455-2421
	City or town, state, and ZIP code GREENWOOD, MS 38930		C If exemption application is pending, 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		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 1,924,492. (Part I, column (d) must be on cash basis)		J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	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 ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	2,428.	2,428.		Statement 1
	5a Gross rents	53,186.	53,186.		Statement 2
	b Net rental income or (loss) 53,186.				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a		0.		
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	-11,309.	-10,430.		Statement 3
	12 Total Add lines 1 through 11	44,305.	45,184.		
	13 Compensation of officers, directors, trustees, etc.	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees Stmt 4	935.	467.		468.
	c Other professional fees				
	17 Interest	16,416.	0.		0.
	18 Taxes Stmt 5	658.	658.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses Stmt 6	1,265.	10.		1,255.
	24 Total operating and administrative expenses. Add lines 13 through 23	19,274.	1,135.		1,723.
	25 Contributions, gifts, grants paid	559,048.			559,048.
	26 Total expenses and disbursements. Add lines 24 and 25	578,322.	1,135.		560,771.
	27 Subtract line 26 from line 12.	-534,017.			
	a Excess of revenue over expenses and disbursements		44,049.		
	b Net investment income (if negative, enter -0-)				
	c Adjusted net income (if negative, enter -0-)			N/A	

25 9/14

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			-1.	-1.	-1.
	2 Savings and temporary cash investments			69,873.	46,883.	46,883.
	3 Accounts receivable ▶					
	Less: allowance for doubtful accounts ▶					
	4 Pledges receivable ▶					
	Less: allowance for doubtful accounts ▶					
	5 Grants receivable					
	6 Receivables due from officers, directors, trustees, and other disqualified persons					
	7 Other notes and loans receivable ▶					
	Less: allowance for doubtful accounts ▶					
	8 Inventories for sale or use					
	9 Prepaid expenses and deferred charges					
	10a Investments - U.S. and state government obligations					
	b Investments - corporate stock					
	c Investments - corporate bonds					
11 Investments - land, buildings, and equipment basis ▶ 545,000.						
Less accumulated depreciation ▶			545,000.	545,000.	793,000.	
12 Investments - mortgage loans						
13 Investments - other Stmt 7			1,669,641.	1,158,614.	1,084,610.	
14 Land, buildings, and equipment: basis ▶						
Less accumulated depreciation ▶						
15 Other assets (describe ▶)						
16 Total assets (to be completed by all filers)			2,284,513.	1,750,496.	1,924,492.	
Liabilities	17 Accounts payable and accrued expenses					
	18 Grants payable					
	19 Deferred revenue					
	20 Loans from officers, directors, trustees, and other disqualified persons					
	21 Mortgages and other notes payable					
22 Other liabilities (describe ▶)						
23 Total liabilities (add lines 17 through 22)			0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐					
	and complete lines 24 through 26 and lines 30 and 31.					
	24 Unrestricted					
	25 Temporarily restricted					
	26 Permanently restricted					
	Foundations that do not follow SFAS 117, check here ▶ ☒					
	and complete lines 27 through 31					
27 Capital stock, trust principal, or current funds			228,158.	228,158.		
28 Paid-in or capital surplus, or land, bldg., and equipment fund			0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds			2,056,355.	1,522,338.		
30 Total net assets or fund balances			2,284,513.	1,750,496.		
31 Total liabilities and net assets/fund balances			2,284,513.	1,750,496.		

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	2,284,513.
2 Enter amount from Part I, line 27a	2	-534,017.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,750,496.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,750,496.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b	NONE		
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			
b			
c			
d			
e			

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	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):	If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	363,234.	2,515,086.	.144422
2007	157,041.	3,144,076.	.049948
2006	67,684.	2,727,511.	.024815
2005	88,543.	1,853,170.	.047779
2004	40,620.	1,546,734.	.026262

2 Total of line 1, column (d)	2	.293226
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	.058645
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	2,145,054.
5 Multiply line 4 by line 3	5	125,797.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	440.
7 Add lines 5 and 6	7	126,237.
8 Enter qualifying distributions from Part XII, line 4	8	560,771.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	440.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		2	0.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		3	440.
3 Add lines 1 and 2		4	0.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		5	440.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	920.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	920.	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	480.	
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax ☒ 480. Refunded ☒ 0.	11		0.

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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?	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	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>MS</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ► N/A

14 The books are in care of ► Robert T. Hardeman Telephone no. ► 601-455-2421
 Located at ► 903 Robert E. Lee, Greenwood, Ms ZIP+4 ► 38930

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ☐
 and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ 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)? Organizations relying on a current notice regarding disaster assistance check here	<u>N/A</u>	1b
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?		1c X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	☐ Yes ☒ No	
If "Yes," list the years ► _____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	<u>N/A</u>	2b
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No	
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)	<u>N/A</u>	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?		4b X

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

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

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

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

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

6b

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

X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

7b

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 8		0.	0.	0.

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

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

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

0

Part VIII**Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

	Amount
1 N/A	
	0.
2	
All other program-related investments. See instructions.	
3 N/A	
	0.
Total. Add lines 1 through 3	0.

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	1,161,637.
b Average of monthly cash balances	1b	223,083.
c Fair market value of all other assets	1c	793,000.
d Total (add lines 1a, b, and c)	1d	2,177,720.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	2,177,720.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	32,666.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,145,054.
6 Minimum investment return. Enter 5% of line 5	6	107,253.

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

1 Minimum investment return from Part X, line 6	1	107,253.
2a Tax on investment income for 2009 from Part VI, line 5	2a	440.
b Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	440.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	106,813.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	106,813.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	106,813.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	560,771.
b Program-related investments - total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	560,771.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	440.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	560,331.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				106,813.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008	148,362.			
f Total of lines 3a through e	148,362.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$	560,771.			
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				106,813.
e Remaining amount distributed out of corpus	453,958.			
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	602,320.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	602,320.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008	148,362.			
e Excess from 2009	453,958.			

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

Recipient		If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)					
a Paid during the year					
See Statement 10					
Total				▶ 3a	559,048.
b Approved for future payment					
None					
Total				▶ 3b	0.

Form 990-PF	Dividends and Interest from Securities	Statement	1
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Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
Planters Bank & Trust Co	27.	0.	27.
Staple Cotton Discount Corp	2,401.	0.	2,401.
Total to Fm 990-PF, Part I, ln 4	2,428.	0.	2,428.

Form 990-PF	Rental Income	Statement	2
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Kind and Location of Property	Activity Number	Gross Rental Income
Farm land	1	53,186.
Total to Form 990-PF, Part I, line 5a		53,186.

Form 990-PF	Other Income	Statement	3
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Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Delta Partners (a partnership)	-13,074.	-13,074.	
Refund of excise tax on investment income	2,644.	2,644.	
Delta Partners	-879.	0.	
Total to Form 990-PF, Part I, line 11	-11,309.	-10,430.	

Form 990-PF	Accounting Fees	Statement	4
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Taylor, Powell, Wilson & Hartford, PA	935.	467.		468.
To Form 990-PF, Pg 1, ln 16b	935.	467.		468.

Form 990-PF	Taxes			Statement	5
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Foreign tax paid on dividends	658.	658.			0.
To Form 990-PF, Pg 1, ln 18	658.	658.			0.

Form 990-PF	Other Expenses			Statement	6
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Dues	1,245.	0.			1,245.
Bank Charges	20.	10.			10.
To Form 990-PF, Pg 1, ln 23	1,265.	10.			1,255.

Form 990-PF	Other Investments		Statement	7
Description	Valuation Method	Book Value	Fair Market Value	
Delta Partners	COST	1,158,614.	1,084,610.	
Total to Form 990-PF, Part II, line 13		1,158,614.	1,084,610.	

Form 990-PF	Part VIII - List of Officers, Directors Trustees and Foundation Managers	Statement 8
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Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Expense Contrib Account
Robert T. Hardeman P. O. Box 868 Greenwood, MS 38935	President 0.00	0.	0. 0.
Eleanor T. Hardeman P. O. Box 868 Greenwood, MS 38935	VP, Sec, Trea 0.00	0.	0. 0.
William David Lott P.O. Box 8240 Greenwood, MS 38935	Director 0.00	0.	0. 0.
Jane C. Thomas 2505 River Road Extended Greenwood, MS 38930	Director 0.00	0.	0. 0.
Sanford C. Thomas P. O. Box 2247 Oxford, MS 38655	Director 0.00	0.	0. 0.
Perry M. Whites 702 Highway 82 West, Suite A Greenwood, MS 38930	Director 0.00	0.	0. 0.
Sam Fonda 202 West Market Street Greenwood, MS 38930	Director 0.00	0.	0. 0.
Totals included on 990-PF, Page 6, Part VIII		0.	0. 0.

Form 990-PF	Part XV - Line 1a List of Foundation Managers	Statement 9
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Name of Manager

Robert T. Hardeman

Eleanor T. Hardeman

Form 990-PF	Grants and Contributions Paid During the Year	Statement 10
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Recipient Name and Address	Recipient Relationship and Purpose of Grant	Recipient Status	Amount
Boy Scouts of America-Chickasaw Council 171 South Hollywood Memphis, TN 38112	none Unrestricted support	Public	2,000.
Church of the Nativity 400 Howard Street Greenwood, MS 38930	none Seminarian Fund	Public	
Church of the Nativity 400 Howard Street Greenwood, MS 38930	none Building Fund	Public	
Confederate Memorial 215 Henderson Street Greenwood, MS 38930	none Fund Raiser	Public	
Cottonlandia 1608 Highway 82 W Greenwood, MS 38930	none Unrestricted support	Public	500.
Delta Wildlife Federation P.O. Box 276 Stoneville, MS 38776	none Unrestricted support	Public	1,000.
First United Methodist Church P. O. Box 1870 Greenwood, MS 38930	none Unrestricted support	Public	
Foundation for Public Broadcasting in MS 3825 Ridgewood Road Jackson, MS 39211	none Unrestricted support	Public	

Hardeman-Steele Foundation, Inc.64-0853619

Greenwood Interfaith Ministries 200 East Johnson St. Greenwood, MS 38930	none Unrestricted support	Public	500.
Greenwood Leflore Educational Foundation 69601 Highway 82 West Greenwood, MS 38930	none John Lucas IV Teaching Excellence	Public	534,395.
Greenwood Leflore Educational Foundation 69601 Highway 82 West Greenwood, MS 38930	none Unrestricted support	Public	9,133.
Junior Auxiliary of Greenwood P.O. Box 627 Greenwood, MS 38935	none Unrestricted support	Public	500.
Kairos Prison Ministry International, Inc. 6903 University Blvd Winter Park, FL 32792	none Unrestricted support	Public	1,000.
Kairos Prison Ministry International, Inc. 130 University Park Drive, Suite 170 Winter Park, FL 32792	none Unrestricted support	Public	1,000.
Leflore County Humane Society 601 Ione St. Greenwood, MS 38930	none Unrestricted support	Public	
Mississippi Delta Community College P. O. Box 668 Moorhead, MS 38761	none Crossroads Scholarship Campaign	Public	
Our Little Roses Foreign Mission Society, Inc. P. O. Box 464 Somerset, VA 22972	none Unrestricted support	Public	4,000.
Our Little Roses Foreign Mission Society, Inc. P.O. Box 464 Somerset, VA 22972	none Scholarship	Public	1,520.

Phi Delta Theta Educational Foundation 2 South Campus Ave. Oxford, OH 45056	none Unrestricted support	Public	
The Claremont Institute 937 West Foothill Blvd, Suite E Claremont, CA 91711	none Unrestricted support	Public	
The Episcopal Diocese of Mississippi P. O. Box 23107 Jackson, MS 392253107	none Gray Center and Camp Caritas	Public	
The Salvation Army 1450 Riverside Drive Jackson, MS 39296	none Katrina relief	Public	
The Wilson Reserch Foundation 1350 East Woodrow Wilson Jackson, MS 39216	none Unrestricted support	Public	
United States Naval Academy Foundation 291 Wood Road, Beach Hall Annapolis, MD 21402	none Unrestricted support	Public	2,500.
United Way of Leflore County P. O. Box 524 Greenwood, MS 389350524	none Unrestricted support	Public	
Young Life P. O. Box 520 Colorado Springs, CO 80901	none Unrestricted support	Public	
Mississippi Blood Services 1995 Lakeland Drive Jackson, MS 39216-5095	none New Building Projects	Public	500.
Cursillo in Mississippi	none Unrestricted support	Public	500.

Total to Form 990-PF, Part XV, line 3a

559,048.