



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

OMB No 1545-0052

2009

Department of the Treasury
Internal Revenue Service

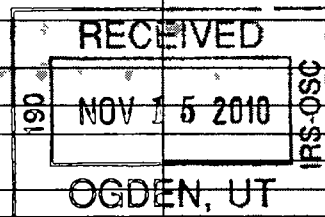
Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2009, or tax year beginning 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 ADLER FOUNDATION		A	Employer identification number 76-0001183
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 4899 MONTROSE BLVD 1312		B	Telephone number (see the instructions) (713) 524-7777
	City or town State ZIP code HOUSTON TX 77006-6169		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, column (c), line 16) \$ 3,591,025.		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 ☐		

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions))				
1 Contributions, gifts, grants, etc., received (att sch)				
2 Ck ☒ if the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments	2,753.	2,753.		
4 Dividends and interest from securities	80,988.	80,988.		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain/(loss) from sale of assets not on line 10	27,798.			
b Gross sales price for all assets on line 6a 276,970.				
7 Capital gain net income (from Part IV, line 2)		27,798.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less: Cost of goods sold				
c Gross profit/(loss) (att sch)				
11 Other income (attach schedule) See Line 11 Stmt	-41,225.			
12 Total. Add lines 1 through 11	70,314.	111,539.		
13 Compensation of officers, directors, trustees, etc				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach sch) L-16b Stmt	5,257.	2,472.		2,472.
c Other prof fees (attach sch)				
17 Interest	775.	775.		
18 Taxes (attach schedule)(see instr) FOREIGN TAX WITHH	1,477.	1,477.		
19 Depreciation (attach sch) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) See Line 23 Stmt	28.	28.		
24 Total operating and administrative expenses. Add lines 13 through 23	7,537.	4,752.		2,472.
25 Contributions, gifts, grants paid	156,084.			156,084.
26 Total expenses and disbursements. Add lines 24 and 25	163,621.	4,752.		158,556.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-93,307.			
b Net investment income (if negative, enter -0)		106,787.		
c Adjusted net income (if negative, enter -0)				



10 P

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
A S S E T S	1 Cash — non-interest-bearing			12,678.	175.	175.
	2 Savings and temporary cash investments			72,179.	22,404.	22,404.
	3 Accounts receivable		1,750.			
	Less allowance for doubtful accounts				1,750.	1,750.
	4 Pledges receivable					
	Less allowance for doubtful accounts					
	5 Grants receivable					
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)					
	7 Other notes and loans receivable (attach sch)					
	Less allowance for doubtful accounts					
	8 Inventories for sale or use					
	9 Prepaid expenses and deferred charges					
	10a Investments — U S and state government obligations (attach schedule)					
	b Investments — corporate stock (attach schedule) L-10b Stmt			1,014,423.	1,094,562.	2,223,794.
	c Investments — corporate bonds (attach schedule)					
	11 Investments — land, buildings, and equipment basis					
	Less accumulated depreciation (attach schedule)					
	12 Investments — mortgage loans					
	13 Investments — other (attach schedule) L-13 Stmt			381,879.	268,016.	1,342,902.
	14 Land, buildings, and equipment basis					
	Less accumulated depreciation (attach schedule)					
	15 Other assets (describe)					
	16 Total assets (to be completed by all filers — see instructions. Also, see page 1, item I)			1,481,159.	1,386,907.	3,591,025.
L I A B I L I T I E S	17 Accounts payable and accrued expenses					
	18 Grants payable					
	19 Deferred revenue					
	20 Loans from officers, directors, trustees, & other disqualified persons					
	21 Mortgages and other notes payable (attach schedule)					
	22 Other liabilities (describe)					
	23 Total liabilities (add lines 17 through 22)					
F U N D A S S E T S N E T B A L A N C E S	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					
	28 Paid-in or capital surplus, or land, building, and equipment fund					
	29 Retained earnings, accumulated income, endowment, or other funds			1,481,159.	1,386,907.	
	30 Total net assets or fund balances (see the instructions)			1,481,159.	1,386,907.	
	31 Total liabilities and net assets/fund balances (see the instructions)			1,481,159.	1,386,907.	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year — Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,481,159.
2 Enter amount from Part I, line 27a	2	-93,307.
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	1,387,852.
5 Decreases not included in line 2 (itemize) See Other Decreases Stmt	5	945.
6 Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	1,386,907.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a BRISTOL MYERS SQUIBB CO 2000SHS		P	08/27/09	11/17/09
b CITIGROUP INC 10000SHS		P	07/13/09	09/01/09
c GENERAL ELECTRIC CO 1030SHS		P	09/19/91	06/10/10
d PETROLEO BRASILEIRO SA 1270SHS		P	06/30/08	06/10/10
e See Columns (a) thru (d)				

(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 47,919.		45,740.	2,179.
b 47,971.		27,389.	20,582.
c 15,985.		5,992.	9,993.
d 41,757.		73,254.	-31,497.
e See Columns (e) thru (h)		96,797.	26,541.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			2,179.
b			20,582.
c			9,993.
d			-31,497.
e See Columns (i) thru (l)			26,541.

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	27,798.
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 the instructions) 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 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 (column (b) divided by column (c))
2008	211,133.	3,196,921.	0.066043
2007	199,055.	4,279,752.	0.046511
2006	157,775.	4,114,400.	0.038347
2005	197,847.	3,728,568.	0.053062
2004	169,243.	3,526,338.	0.047994

2 Total of line 1, column (d)	2	0.251957
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	0.050391
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	3,600,584.
5 Multiply line 4 by line 3	5	181,437.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,068.
7 Add lines 5 and 6	7	182,505.
8 Enter qualifying distributions from Part XII, line 4	8	158,556.

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 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 instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b		1	2,136.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	2,136.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	2,136.
6 Credits/Payments			
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a	1,340.	
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	1,340.	
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	796.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0.	
11 Enter the amount of line 10 to be Credited to 2010 estimated tax ☐ 0. Refunded ☐	11		

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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		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 ☐ \$ _____ (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? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a 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?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		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? <i>If 'Yes,' complete Part II, column (c), and Part XIV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) TX - Texas		
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 <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	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)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

BAA

Form 990-PF (2009)

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? Website address N/A	13	X	
14	The books are in care of LOUIS K. ADLER Telephone no (713) 524-7777 Located at 4899 MONTROSE BLVD #1312 HOUSTON TX ZIP + 4 77006-6169			
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 the instructions)? Organizations relying on a current notice regarding disaster assistance check here X	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? If 'Yes,' list the years 20__ , 20__ , 20__ , 20__	☐ Yes ☒ No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see the instructions)	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 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	
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

BAA

Form 990-PF (2009)

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 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 instructions)?

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?☐ 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 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
LOUIS K. ADLER 4899 MONTROSE BLVD #1312 HOUSTON TX 77006	PRES & TREAS 1.00	0.	0.	0.
GAIL F. ADLER 4899 MONTROSE BLVD #1312 HOUSTON TX 77006	V.PRES & SEC 1.00	0.	0.	0.
MARC F. ADLER 4899 MONTROSE BLVD #1312 HOUSTON TX 77006	TRUSTEE 1.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see 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
NO PAID EMPLOYEES				
0				
0				
0				
0				

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

▶

None

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 instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NO PAID PROFESSIONAL SERVICES OVER \$50,000.00		
		N/A

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

None**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	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	

BAA

Form 990-PF (2009)

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	3,619,314.
b Average of monthly cash balances	1b	36,101.
c Fair market value of all other assets (see instructions)	1c	0.
d Total (add lines 1a, b, and c)	1d	3,655,415.
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	0.
3 Subtract line 2 from line 1d	3	3,655,415.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	54,831.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,600,584.
6 Minimum investment return. Enter 5% of line 5	6	180,029.

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	180,029.
2a Tax on investment income for 2009 from Part VI, line 5	2a	2,136.	
b Income tax for 2009 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	2,136.
3 Distributable amount before adjustments Subtract line 2c from line 1		3	177,893.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	177,893.
6 Deduction from distributable amount (see instructions)		6	
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	177,893.

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	158,556.
b Program-related investments — total from Part IX-B	1b	
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	158,556.
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 instructions)	5	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	158,556.

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				177,893.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			155,326.	
b Total for prior years 20 08 , 20 07 , 20 06				
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 ▶ \$ 158,556.				
a Applied to 2008, but not more than line 2a			155,326.	
b Applied to undistributed income of prior years (Election required — see instructions)				
c Treated as distributions out of corpus (Election required — see instructions)				
d Applied to 2009 distributable amount				3,230.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
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 instructions			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				174,663.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
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	0.			

N/A

- Form 990-PF (2009)

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
<i>a Paid during the year</i> SEE ATTACHMENT	SEE ATTACHMENT	N/A	SEE ATTACHMENT	156,084.
Total				▶ 3a 156,084.
<i>b Approved for future payment</i> UNIV OF TX.HEALTH SCIENCE CENTER PO BOX 20036 HOUSTON TX 77225	SEE ATTACHMENT	N/A	SEE ATTACHMENT	10,000.
Total				▶ 3b 10,000.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see the instructions)
		(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	2,753.	
4	Dividends and interest from securities			14	80,988.	
5	Net rental income or (loss) from real estate					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory			18	27,798.	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue					
a	K1 ENTERPRISE GP HOLDINGS LP	900000	-8,156.			
b	K1 ENTERPRISE PRODUCTS PARTNERS LP	900000	-10,568.			
c	K1 TEPPCO PARTNERS LP	900000	-4,945.			
d	K1 KINDER MORGAN ENERGY PARTNERS LP	900000	-16,812.			
e	See Other Revenue Stmt		-744.			
12	Subtotal. Add columns (b), (d), and (e)		-41,225.		111,539.	
13	Total. Add line 12, columns (b), (d), and (e)					13 70,314.

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

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

[illegible]

Additional Information

ATTACHMENT TO FORM 990-PF FOR THE FISCAL YEAR ENDED JUNE 30, 2009

PART XV- SUPPLEMENTARY INFORMATION

NOTE 1: THE CONTRIBUTIONS LISTED WERE MADE FOR THE GENERAL PURPOSES INHERENT IN THE NAMES & ACTIVITIES OF THE DONEE ORGANIZATIONS, WITHOUT ANY RESTRICTION WHATEVER UPON OR SPECIFIC DESIGNATION OF THE APPLICATIONS OF THE PROCEEDS OF THE CONTRIBUTIONS BY THE DONOR ORGANIZATION.

NOTE 2: THE DONEE ORGANIZATIONS LISTED ARE NOT RELATED BY BLOOD, MARRIAGE, ADOPTION, EMPLOYMENT OR OTHERWISE TO ANY PERSON HAVING AN INTEREST IN THE DONOR ORGANIZATION.

NOTE 3: ALL OF THE CHARITIES ARE PUBLIC CHARITIES EXCEPT THE MENIL, FOR WHICH ITS EXPENDITURE RESPONSIBILITY AGREEMENT IS ATTACHED.

Form 990-PF, Page 1, Part I, Line 11

Line 11 Stmt

Other income:	Rev/Exp Book	Net Inv Inc	Adj Net Inc
K-1 KINDER MORGAN ENERGY PARTNER	-16,812.		
K-1 ENTERPRISE PRODUCTS PARTNERS	-10,568.		
K-1 ENTERPRISE GP HOLDINGS LP	-8,156.		
K-1 TEPPCO PARTNERS LP	-4,945.		
BOARDWALK PIPELINE PARTNERS LP	-872.		
K-1 ENBRIDGE ENERGY PARTNERS LP	8.		
K-1 LINN ENERGY LLC	120.		
Total	<u>-41,225.</u>		

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
NEUBERGER BERMAN LLC INVESTMENT	10.	10.		
TIM PARTISICIPACOE SA	5.	5.		
POSTAGE	13.	13.		
Total	<u>28.</u>	<u>28.</u>		

Form 990-PF, Page 2, Part III, Line 5

Other Decreases Stmt

NONDEDUCTIBLE EXPENSES	258.
FORM 990 PF ESTIMATED TAXES	687.
Total	<u>945.</u>

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income

Columns (a) thru (d)

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
PETROLEO BRASILEIRO SA 590SHS	P	06/30/08	06/21/10
TEPPCO PARTNERS LP 3100UNITS	P	09/27/05	08/11/09

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income

Columns (e) thru (h)

(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)
19,738.		34,031.	-14,293.
103,600.		62,766.	40,834.
Total		<u>96,797.</u>	<u>26,541.</u>

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income
Columns (i) thru (l)

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

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (column (h) gain minus column (k), but not less than -0-) or losses (from column (h))
			-14,293.
			40,834.
Total			26,541.

Form 990-PF, Page 12, Part XVI-A, Line 11
Other Revenue Stmt

Other revenue:	Business code	Amount	Excl- usion code	Amount	Related/exempt function income
K1 BOARDWALK PIPELINE PARTNERS	900000	-872.			
K1 ENBRIDGE ENERGY PARTNERS LP	900000	8.			
K1 LINN ENERGY LLC	900000	120.			
(THE ABOVE ARE PUBLIC PARTNERS)					
Totals		-744.			

Form 990-PF, Page 1, Part I
Line 16b - Accounting Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ELAINE JONES TAX & B	BOOKKEEPING SERVICE	4,944.	2,472.		2,472.
SPAIN, PRICE, READER &	ACCOUNTING	313.			
Total		5,257.	2,472.		2,472.

Form 990-PF, Page 2, Part II, Line 10b
L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
ALTRIA GROUP INC 1500SHS	25,122.	30,060.
BANK OF NEW YORK MELLON 1000SHS	28,390.	24,690.
CHEVRON CORPORATION 4000SHS	71,708.	271,440.
CITIGROUP INC 6700SHS	21,105.	25,192.
CLECO CORP HLDGS NEW 20000SHS	124,028.	528,200.
COCA COLA CO 4000SHS	20,484.	200,480.
CONOCOPHILLIPS 400SHS	23,756.	19,636.
EXXON MOBIL CORP 6000SHS	138,139.	342,420.
GENERAL ELECTRIC CO 8970SHS	52,181.	129,347.

Form 990-PF, Page 2, Part II, Line 10b
L-10b Stmt

Continued

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
ISHARES TR FTSE XINHUA CHINA 3000SHS	80,482.	117,390.
LOCKHEED MARTIN CORP 1000SHS	74,210.	74,500.
MACK-CALI REALTY CORP 1500SHS	54,659.	44,595.
OCCIDENTAL PETE CORP 1400SHS	68,403.	108,010.
PETROLEO BRASILEIRO SA 4140SHS	100,455.	123,372.
PHILIP MORRIS INTERNATIONAL INC 2500SHS	106,514.	114,600.
PRIME INFRASTRUCTU 5000SHS	15,364.	13,765.
VIVO PARTICIPACOES SA 135SHS	2,536.	3,499.
TIM PARTICIPACOES SA 270SHS	4,289.	7,328.
VODAFONE GROUP PLC 1000SHS	18,990.	20,670.
WSP HOLDINGS LIMITED ADR 15000SHS	63,747.	24,600.
Total	<u>1,094,562.</u>	<u>2,223,794.</u>

Form 990-PF, Page 2, Part II, Line 13
L-13 Stmt

Line 13 - Investments - Other:	End of Year	
	Book Value	Fair Market Value
KINDER MORGAN ENERGY PARTNERS L.P. 7100 UNITS	-89,252.	461,926.
ENTERPRISE GP HOLDGS LP 8000 UNITS	144,804.	379,440.
ENTERPRISE PRODUCTS PRODUCTS PARTNERS LP 9000 UNITS	84,975.	318,330.
ENBRIDGE ENERGY PARTNERS LP 1000 UNITS	39,915.	52,420.
BOARDWALK PIPELINE PARTNERS LP 500 UNITS	35,463.	51,136.
LINN ENERGY LLC 3000 UNITS	52,111.	79,650.
Total	<u>268,016.</u>	<u>1,342,902.</u>

November 5, 2010

Mr. Louis Adler
The Adler Foundation
4899 Montrose Blvd , Ste. 1312
Houston, TX 77006

RE Annual Expenditure Responsibility Report for grant in Support of General Museum Operations in the amount of \$4,760, check #2132, dated June 16, 2010

Dear Mr Adler,

Please accept our thanks for your gracious contribution to the Menil made in FY 2010. As stated above, your gift was dedicated to the museum's general operations and was one of those extremely valuable in helping us meet our FY10 expenses. Thank you for your ongoing generosity to the Menil. Our records show that the Adler Foundation and you as individuals have supported this institution annually since 1988, and for this generosity, we are grateful.

This letter is intended to satisfy the responsibility of the Menil Foundation, Inc ("Menil") for reporting to the The Adler Foundation for the above-referenced grant received in fiscal year 2010. Please be assured that the grant funds were used solely for the support of general museum operations.

For the fiscal year ended June 30, 2010, the Menil's revenues from all sources, both restricted and unrestricted, were \$15.5 million, excluding unrealized gains and losses from investments, works of art and additions to the permanent endowments. Of this total revenue, \$11.2 million was specifically designated for the operations of the Menil. Ongoing operations of the Menil incurred expenditures of \$15.3 million during the same period including art acquisitions and capital equipment.

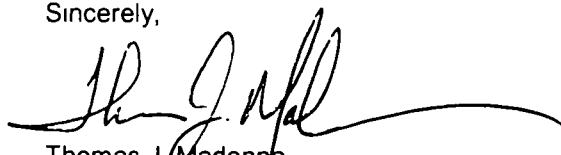
In addition to exhibiting selections from its world-renowned permanent collection of art, The Menil Collection presented diverse special exhibitions and public programs during the grant period. Of the ever-increasing number of people who visited the museum this year, many came from out of state as well as from Latin America, Europe and Asia.

Among the year's exhibition highlights were: ***Body in Fragments (August 2009 – February 2010); Cy Twombly: Treatise on the Veil (October 2009 – February 2010); Maurizio Cattelan (February – August 2010); Leaps into the Void: Documents of Nouveau Réalist Performance (March – August 2010); and Steve Wolfe on Paper (April – July 2010).*** Public programs included ***The Artist's Eye Series (first Sunday of each month)***, museum tours, gallery talks, symposiums, readings and lectures. For members, more than forty programs and tours were offered, enabling participants opportunities to learn in depth about the museum's holdings, exhibitions, and relationships with artists. For children, Writing at the Menil celebrated its 22nd year, bringing children from disadvantaged backgrounds to the museum to look and to write about the art here. A partnership with Writers in the School, the program reaches approximately 5,000 children each year, primarily from Title One schools in and around Houston.

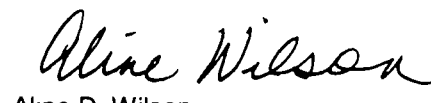
As a part of this report, a copy of the audited financial statements for the fiscal year ended June 30, 2010 (July 1, 2009 to June 30, 2010) prepared by Deloitte and Touche LLP for the Menil Foundation Inc is enclosed.

Thank you again for the generous donation from The Adler Foundation. With your support, The Menil Collection continues to serve as a vital cultural resource and source of pride for the citizens of Houston.

Sincerely,



Thomas J. Madonna
Chief Financial Officer



Aline D. Wilson
Director of Advancement

TJM/eg
Enclosure

Part XV-Item 3(a)-Contributions Paid

Alley Theatre	615 Texas Avenue	Houston, TX 77002	1,750 00
American Cancer Society	2433 Ridgepoint Dr A	Austin, TX 78754	70 00
American Festival for The Arts	3311 Richmond Ave Ste 350	Houston, TX 77098	250 00
American Jewish Committee	165 East 56th Street	New York, NY 10022	10,000 00
Center for Houston's Future	1200 Smith Ste 1150	Houston, TX 77002	100 00
Central Asia Institute	P O Box 7209	Bozeman, MT 59771	100 00
Children's Museum of Houston	1500 Binz	Houston TX 77004	25,000 00
COLLAGE The Art For Cancer Network	1425 Branard Street Ste 2	Houston, TX 77006	1,000 00
Congregation Beth Israel	5600 N Braeswood Blvd	Houston, TX 77096	10,000 00
Cornell University	130 E Seneca St Ste 400	Ithaca, NY 14850	100 00
DaCamera of Houston	1427 Branard	Houston, TX 77006	750 00
DBSA Greater Houston	3800 Buffalo Speedway, Ste 300	Houston, TX 77098	100 00
El Museo Del Barrio New York	1230 Fifth Ave at 104th Street	New York, NY 10029	500 00
Emory University	1300 Clifton Road	Atlanta, GA 30322	10,000 00
Episcopal High School	4650 Bissonnet	Bellaire, TX 77401	5,200 00
Fletcher Allen Foundation	111 Colchester Ave	Burlington, VT 05401	75 00
George W Bush Presidential Center	P O Box 560887	Dallas, TX 75356	100 00
Holocaust Museum Houston	5401 Caroline St	Houston, TX 77004	200 00
Hope Stone Inc	1210 W Clay #26	Houston, TX 77019	100 00
Houston Ballet Foundation	1921 West Bell	Houston, TX 77019	50 00
Houston Hospice	1905 Holcombe Blvd	Houston, TX 77030	25 00
Houston Museum of Natl Science	One Herman Circel Drive	Houston, TX 77030	50 00
Houston Public Library Foundation	500 McKinney Street	Houston, TX 77002	250 00
Houston Symphony	615 Louisiana Street, Ste 102	Houston, TX 77002	400 00
Jewish Community Center of Houston	5601 S Braeswood	Houston, TX 77096	975 00
Jewish Family Service	4131 S Braeswood	Houston, TX 77025	1,000 00
Jewish Federation of Greater Houston	5603 S Braeswood	Houston, TX 77096	2,000 00
Jewish Healthcare Center Inc	629 Salisbury Street	Worcester, MA 01609	25 00
Judicial Watch	501 School Street SW Ste 500	Washington, DC 20024	350 00
Juvenile Diabetes Research Fdn Intl	120 Wall Street - 19th Floor	New York, NY 10005	200 00
Lawndale Art Center	4912 Main Street	Houston, TX 77002	135 00
M D Anderson Cancer Center	1515 Holcombe Blvd	Houston, TX 77030	50 00
Museum of Fine Arts, Houston	1001 Bissonnet	Houston, TX 77005	33,740 00
Museum of Modern Art	11 West 53 Street	New York, NY 10019	60 00
Musiqqa	3201 Allen Parkway, Ste 150	Houston, TX 77019	500 00
Natl Multiple Sclerosis Society	8111 N Stadium Dr Ste 100	Houston, TX 77054	50 00
National Right to Work Foundation	8001 Braddock Road	Springfield, VA 22160	100 00
Northwestern University	2020 Ridge Avenue	Evanston, IL 60208	100 00
Pine Manor College	400 Heath Street	Chestnut Hill, MA 02467	1,300 00
Pink Project Inc	1210 W Clay #26	Houston, TX 77019	100 00
Seven Acres Jewish Senior Care Svcs	6200 North Braeswood	Houston, TX 77074	1,000 00
Society For The Performing Arts	615 Louisiana Street, Ste 100	Houston, TX 77002	50 00
Teachers College, Columbia University	Box 306, 525 W 120th Street	New York, NY 10027	100 00
Texas Children's Hospital	P O Box 300630	Houston, TX 77230	25 00
Texas Christian University	TCU Box 297440	Fort Worth, TX 76129	50 00
Texas Heart Institute	P O Box 20345	Houston, TX 77225	6,075 00
The 100 Club, Inc	2603 Augusta Dr , Ste 840	Houston, TX 77057	100 00
The Chaplaincy Fund, Inc	P O Box 691284	Houston, TX 77269	100 00
The Health Museum	1515 Hermann Drive	Houston, TX 77004	100 00
The Hentage Foundation	214 Massachusetts Avenue, NE	Washington, DC 20002	35 00
The Jung Center	5200 Montrose Blvd	Houston, TX 77006	125 00
The Menil Foundation, Inc	1515 Branard	Houston, TX 77006	4,760 00
The Orange Show Foundation	2402 Munger Street	Houston, TX 77023	300 00
The Raoul Wallenberg Committee of the US	1407 Broadway Ste 1708	New York, NY 10018	100 00
The Red Ribbon Foundation, Inc	270 Greenwich Avenue	Greenwich, CT 06830	100 00
The Ron Clark Academy Inc	228 Margaret Street	Atlanta, GA 30315	5,000 00
The Rotary Foundation	100 Edgewood Avenue Ste 508	Atlanta, GA 30303	325 00
Univ Of TX Hlth Sci Ctr Houston	P O Box 20036	Houston, TX 77225	25,500 00
University of Houston	306 McElhinney Hall	Houston, TX 77204	1,200 00
William Marsh Rice University	P O Box 1892	Houston, TX 77251	4,055 00
Visiting Nurse Service of New York	107 East 70th Street	New York, NY 10021	25 00
Young Audiences of Houston	1800 St James Place #303	Houston, TX 77056	100 00
K-1 Boardwalk Pipeline Partners, LP	9 Greenway Plaza Ste 2800	Houston, TX 77046	3 00
K-1 Enbridge Energy Partners, LP	1100 Louisiana Ste 3300	Houston, TX 77002	1 00
			156,084 00

• Attached to Form 990-PF

Taxpayer Adler Foundation, FEIN 76-0001183
4899 Montrose Blvd #1312
Houston, TX 77006-6169

Fiscal Year Ended June 30, 2010

Part XV-Item 3(a)-Contributions Paid

NOTE 1 THE CONTRIBUTIONS LISTED ABOVE WERE MADE FOR THE GENERAL PURPOSES INHERENT IN THE NAMES AND ACTIVITIES OF THE DONEE ORGANIZATIONS, WITHOUT ANY RESTRICTION WHATEVER UPON OR SPECIFIC DESIGNATION FOR THE APPLICATIONS OF THE PROCEEDS OF THE CONTRIBUTIONS BY THE DONOR ORGANIZATION

NOTE 2 THE DONEE ORGANIZATIONS LISTED ABOVE ARE NOT RELATED BY BLOOD, MARRIAGE, ADOPTION, EMPLOYMENT OR OTHERWISE TO ANY PERSON HAVING AN INTEREST IN THE DONOR ORGANIZATION

NOTE 3 ALL OF THE ABOVE LISTED CHARITIES ARE PUBLIC CHARITIES