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Return of Organization Exempt From Income Tax

2009

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2009 calendar year, or tax year beginning 07/01, 2009, and ending 06/30, 2010

Form 990 header section containing organization name (Ballet Arizona), address, identification numbers, and principal officer information.

Part I Summary

Summary table with columns for Revenue, Expenses, and Net Assets or Fund Balances. Rows include mission statement, revenue breakdown, and expense breakdown.

Part II Signature Block

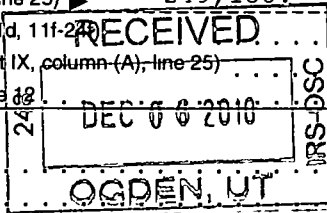
Signature block containing the preparer's signature (Jo Leong), title (Interim Executive Director), and date (11-26-10).

Preparer information section including firm name (CBIZ MHM, LLC), EIN (34-1884125), and address (3101 N Central Ave., Ste 300 Phoenix, AZ 85012).

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [] No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.* Form 990 (2009)

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a

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:
BALLET ARIZONA IS AN INNOVATIVE AND PROVOCATIVE PROSESSIONAL BALLET COMPANY THAT TEACHES, CREATES, AND PERFORMS OUTSTANDING CLASSICAL AND CONTEMPORARY BALLET.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 3,948,816. including grants of \$) (Revenue \$ 2,823,549.)
BALLET PERFORMANCES CONTRIBUTE TO DEVELOPMENT AND MAINTENANCE OF A PROFESSIONALLY RECOGNIZED RESIDENT BALLET COMPANY. THE ORGANIZATION PRESENTED SIX PRODUCTIONS IN THE STATE OF ARIZONA DURING ITS REGULAR SEASON, AND ALSO PERFORMED AT THE KENNEDY CENTER IN WASHINGTON, D.C. AS PART OF ITS BALLET ACROSS AMERICA SERIES.

4b (Code:) (Expenses \$ 524,074 including grants of \$ 12,362.) (Revenue \$ 589,687.)
THE SCHOOL OF BALLET ARIZONA IS THE ORGANIZATION'S OFFICIAL TRAINING INSTITUTE. MORE THAN 250 STUDENTS, AGES 3 THROUGH ADULT, PARTICIPATE IN BEGINNER THROUGH ADVANCED LEVEL PROGRAMS INCLUDING PRE-PROFESSIONAL AND RECREATIONAL OFFERINGS. THEY TAKE THEIR DAILY CLASSES ALONGSIDE THE PROFESSIONAL DANCERS AND ARTISTIC STAFF OF BALLET ARIZONA - A RESOURCE OF COMMITTED AND INSPIRED TEACHERS WHO GENERATE AN IMAGINATIVE, CREATIVE AND PRODUCTIVE RESPONSE. SCHOOL OF BALLET ARIZONA STUDENTS ARE OFTEN ABLE TO SHARE THEIR LOVE OF DANCING IN COMMUNITY EVENTS THAT CONTRIBUTE TO THE INTRODUCTION OF THE ARTS TO YOUNG PEOPLE THROUGHOUT METROPOLITAN PHOENIX.

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 4,472,890.

Part IV Checklist of Required Schedules

Table with 20 rows of questions and Yes/No columns. Questions include: 1. Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? 2. Is the organization required to complete Schedule B, Schedule of Contributors? 3. Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? 4. Section 501(c)(3) organizations. Did the organization engage in lobbying activities? 5. Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? 6. Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? 7. Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? 8. Did the organization maintain collections of works of art, historical treasures, or other similar assets? 9. Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? 10. Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? 11. Is the organization's answer to any of the following questions "Yes"? 12. Did the organization obtain separate, independent audited financial statements for the tax year? 12A. Was the organization included in consolidated, independent audited financial statement for the tax year? 13. Is the organization a school described in section 170(b)(1)(A)(ii)? 14a. Did the organization maintain an office, employees, or agents outside of the United States? 14b. Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? 15. Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? 16. Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? 17. Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? 18. Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? 19. Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? 20. Did the organization operate one or more hospitals?

Part IV Checklist of Required Schedules (continued)

Table with 4 columns: Question ID, Question Text, Yes, No. Rows include questions 21 through 38 regarding grants, compensation, tax-exempt bonds, and organizational structure.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Form with questions 1a through 12b regarding IRS filings and tax compliance, including sections on backup withholding, employee reporting, foreign accounts, prohibited tax shelter transactions, and contributions.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a-1b, 2-9a regarding governing body structure and documentation.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 10a-16b regarding organizational policies on chapters, conflicts of interest, whistleblower policies, and joint ventures.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed - AZ,
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection.
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: PAT DIEKEN 3645 E. INDIAN SCHOOL ROAD PHOENIX, AZ 85018 602-381-0184

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
HAROLD C. DORENBECHER BOARD CHAIR	5.00	X		X				0		
MARY K. FARRINGTON-LORCH DIRECTOR	0.00	X						0		
JO FINKS DIRECTOR	1.00	X						0		
JULIE PRUSAK DIRECTOR	1.00	X						0		
MAKENNA ALBRECHT DIRECTOR	1.00	X						0		
ED BEZ DIRECTOR	1.00	X						0		
STEPHEN A. JOHNSON VICE CHAIR	2.00	X		X				0		
ROBERT J. LESLIE DIRECTOR	1.00	X						0		
MARIO T. ROMERO DIRECTOR	1.00	X						0		
LOIS SAVAGE DIRECTOR	1.00	X						0		
SAM YOUNGER DIRECTOR	0.00	X						0		
PATRICIA AUCH DIRECTOR	1.00	X						0		
MARY CAREY DIRECTOR	1.00	X						0		
COLLEEN HALLBERG DIRECTOR	1.00	X						0		
TERRI HASTON DIRECTOR	1.00	X						0		
MAC PERLICH DIRECTOR	1.00	X						0		

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
DAVID THOMPSON DIRECTOR	3.00	X						0.		
MELINDA POPPE TREASURER	2.00	X		X				0.		
WILLIAM PAPAIZIAN DIRECTOR	1.00	X						0.		
MEGHAN GRABEL DIRECTOR	1.00	X						0.		
KATE GROVES DIRECTOR	1.00	X						0.		
CESAR MAZIER DIRECTOR	1.00	X						0.		
LAURIE MCWEENEY DIRECTOR	1.00	X						0.		
ELIZABETH MESSINA DIRECTOR	1.00	X						0.		
MARY MEYER DIRECTOR	1.00	X						0.		
GAYLE RAY DIRECTOR	1.00	X						0.		
CAROL SCHILLING SECRETARY	1.00	X		X				0.		
KEVIN MYERS MANAGEMENT CONSULTANT	40.00			X			122,896.		5,400.	
PAT DIEKEN DIRECTOR OF FINANCE & ADMIN	40.00			X			67,052.		132.	
1b Total CONTINUED AT SCHEDULE J-2							362,540		10,932.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **2**

3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual

	Yes	No
3		X
4	X	
5		X

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
ARIZONA REPUBLIC PO BOX 677595 PHX AZ	PRINT ADVERTISING	283,180.
PHOENIX SYMPHONY 1 N 1ST ST PHX AZ	ORCHESTRA	210,821.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **2**

Part VIII Statement of Revenue

86-0367773

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a			
	b Membership dues	1b			
	c Fundraising events	1c	266,206		
	d Related organizations	1d			
	e Government grants (contributions) . .	1e	193,372.		
	f All other contributions, gifts, grants, and similar amounts not included above .	1f	1,734,178.		
	g Noncash contributions included in lines 1a-1f \$		65,668.		
h Total. Add lines 1a-1f		2,193,756.			
Program Service Revenue	Business Code				
	2a ADMISSIONS	711120	2,663,706	2,663,706	
	b TUITION	711120	589,687	589,687	
	c COSTUME RENTALS	711120	13,275	13,275	
	d PROGRAM FEES	711120	97,237.	97,237	
	e _____				
	f All other program service revenue				
g Total. Add lines 2a-2f		3,363,905.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		1,104.		1,104.
	4 Income from investment of tax-exempt bond proceeds		0.		
	5 Royalties		0.		
	6a Gross Rents	(i) Real			
	b Less: rental expenses	(ii) Personal			
	c Rental income or (loss)				
	d Net rental income or (loss)				0.
	7a Gross amount from sales of assets other than inventory	(i) Securities			
	b Less: cost or other basis and sales expenses	(ii) Other	1,560		
	c Gain or (loss)		1,576.		
	d Net gain or (loss)		-16		-16.
	8a Gross income from fundraising events (not including \$ 266,206. of contributions reported on line 1c). See Part IV, line 18		48,134		
b Less: direct expenses		108,974			
c Net income or (loss) from fundraising events		-60,840.		-60,840.	
9a Gross income from gaming activities. See Part IV, line 19		2,700.			
b Less: direct expenses					
c Net income or (loss) from gaming activities		2,700.		2,700.	
10a Gross sales of inventory, less returns and allowances		121,834			
b Less: cost of goods sold		63,903			
c Net income or (loss) from sales of inventory		57,931.	49,331	8,600.	
Miscellaneous Revenue		Business Code			
11a MISCELLANEOUS	900099	18,445.		18,445.	
b _____					
c _____					
d All other revenue					
e Total. Add lines 11a-11d		18,445.			
12 Total Revenue. See instructions		5,576,985.	3,413,236.	8,600.	-38,607.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	0.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	12,362.	12,362.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	392,772.	176,292.	216,480.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	0.			
7 Other salaries and wages	2,157,334.	1,931,972.	55,501.	169,861.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . .	0.			
9 Other employee benefits	244,731.	214,498.	15,094.	15,139.
10 Payroll taxes	222,038.	186,311.	21,608.	14,119.
11 Fees for services (non-employees):				
a Management	0.			
b Legal	28,700.	8,250.	20,450.	
c Accounting	0.			
d Lobbying	0.			
e Professional fundraising services See Part IV, line 17	0.			
f Investment management fees	0.			
g Other	0.			
12 Advertising and promotion	734,280.	734,280.		
13 Office expenses	112,268.	34,443.	60,990.	16,835.
14 Information technology	0.			
15 Royalties	42,982.	42,982.		
16 Occupancy	172,844.	75,762.	97,082.	
17 Travel	69,249.	69,249.		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	21,125.		21,125.	
20 Interest	38,835.	5,200.	33,635.	
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization . . .	197,155.		197,155.	
23 Insurance	100,692.	9,700.	90,992.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a PRODUCTION EXPENSES -----	144,850.	144,850.		
b PRODUCTION FEES -----	612,143.	612,143.		
c COSTUMES -----	161,109.	161,109.		
d SET DESIGN AND RENTAL -----	53,487.	53,487.		
e DEVELOPMENT EXPENSES -----	33,204.			33,204.
f All other expenses -----	3,574.		3,574.	
25 Total functional expenses. Add lines 1 through 24f	5,555,734.	4,472,890.	833,686.	249,158.
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	77,829.	1	170,016.
	2 Savings and temporary cash investments	118,269.	2	202,238.
	3 Pledges and grants receivable, net	74,500.	3	115,675.
	4 Accounts receivable, net	0.	4	19,563.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	30,859.	8	34,781.
	9 Prepaid expenses and deferred charges	106,380.	9	77,490.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 2,838,856.		
	b Less: accumulated depreciation	10b 1,189,260.	1,763,704.	10c 1,649,596.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	12,514.	15	7,561.
16 Total assets. Add lines 1 through 15 (must equal line 34)	2,184,055.	16	2,276,920.	
Liabilities	17 Accounts payable and accrued expenses	119,496.	17	191,911.
	18 Grants payable		18	
	19 Deferred revenue	631,970.	19	587,127.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	4,662.	22	0.
	23 Secured mortgages and notes payable to unrelated third parties	829,944.	23	878,648.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	1,586,072.	26	1,657,686.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	232,973.	27	191,094.
	28 Temporarily restricted net assets	264,611.	28	327,741.
	29 Permanently restricted net assets	100,399.	29	100,399.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	597,983.	33	619,234.	
34 Total liabilities and net assets/fund balances	2,184,055.	34	2,276,920.	

Part XI Financial Statements and Reporting

- 1** Accounting method used to prepare the Form 990: Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
- b** Were the organization's financial statements audited by an independent accountant?
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d** If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form **990** (2009)

Public Charity Status and Public Support

2009

Open to Public Inspection

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization
BALLET ARIZONA

Employer identification number
86-0367773

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 a Type I b Type II c Type III - Functionally integrated d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box.
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)	
(ii) A family member of a person described in (i) above?	11g(ii)	
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc; 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 2 columns: Description, Percentage. Rows include: 14 Public support percentage for 2009; 15 Public support percentage from 2008 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2009; 16b 33 1/3% support test - 2008; 17a 10%-facts-and-circumstances test - 2009; 17b 10%-facts-and-circumstances test - 2008; 18 Private foundation.

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2,786,564	2,879,579	2,167,845.	2,091,913	2,193,754.	12,119,655.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	2,683,146.	3,344,294	3,288,583.	3,426,194.	3,467,554	16,209,771
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	5,469,710.	6,223,873	5,456,428.	5,518,107.	5,661,308	28,329,426
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	632,739	508,341.	395,617	157,225	314,693.	2,008,615
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year	0.	0	0.	0.	0.	0.
c Add lines 7a and 7b.	632,739.	508,341	395,617	157,225.	314,693.	2,008,615.
8 Public support (Subtract line 7c from line 6.)						26,320,811.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6.	5,469,710	6,223,873	5,456,428	5,518,107.	5,661,308.	28,329,426.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.	1,502.	6,766.	2,120	2,710	1,104.	14,202
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975			0	3,397	3,455.	6,852
c Add lines 10a and 10b	1,502.	6,766	2,120	6,107	4,559	21,054
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV) <u>ATCH 1</u>	62,772	40,696.	7,094	6,581.	18,445	135,588.
13 Total support. (Add lines 9, 10c, 11, and 12)	5,533,984.	6,271,335.	5,465,642.	5,530,795.	5,684,312.	28,486,068.

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	92.40%
16 Public support percentage from 2008 Schedule A, Part III, line 15.	16	91.91%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	.07%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	.07%

19a 33 1/3% support tests - 2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here** The organization qualifies as a publicly supported organization ▶

b 33 1/3% support tests - 2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here** The organization qualifies as a publicly supported organization ▶

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶

Part IV Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

ATTACHMENT 1

SCHEDULE A, PART III - OTHER INCOME

DESCRIPTION	2005	2006	2007	2008	2009	TOTAL
OTHER REVENUE	62,772.	40,696.	7,094.	6,581.	18,445.	135,588
TOTAL	<u>62,772</u>	<u>40,696.</u>	<u>7,094.</u>	<u>6,581.</u>	<u>18,445.</u>	<u>135,588.</u>

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

Name of the organization BALLET ARIZONA

Employer identification number 86-0367773

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: Total number at end of year, Aggregate contributions to (during year), Aggregate grants from (during year), Aggregate value at end of year, and two questions about donor informed consent.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Form for Part II Conservation Easements. Includes questions about purpose of easements, total number and acreage, monitoring, and reporting requirements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions about reporting requirements for art and historical treasures.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition, b Scholarly research, c Preservation for future generations, d Loan or exchange programs, e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

Table with 2 columns: Description, Amount. Rows: 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

Table with 6 columns: (a) Current Year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows: 1a-1g (Beginning of year balance, Contributions, Net investment earnings, gains, and losses, Grants or scholarships, Other expenditures for facilities and programs, Administrative expenses, End of year balance).

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment %
b Permanent endowment 100.0000 %
c Term endowment %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

Table with 2 columns: Yes, No. Rows: 3a(i) unrelated organizations, 3a(ii) related organizations, 3b.

- (i) unrelated organizations
(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows: 1a Land, 1b Buildings, 1c Leasehold improvements, 1d Equipment, 1e Other, Total.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1 5,576,985.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2 5,555,734.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3 21,251.
4	Net unrealized gains (losses) on investments	4
5	Donated services and use of facilities	5
6	Investment expenses	6
7	Prior period adjustments	7
8	Other (Describe in Part XIV.)	8
9	Total adjustments (net). Add lines 4 through 8	9
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10 21,251.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	1 5,703,352.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:	
a	Net unrealized gains on investments	2a
b	Donated services and use of facilities	2b 126,367.
c	Recoveries of prior year grants	2c
d	Other (Describe in Part XIV.)	2d
e	Add lines 2a through 2d	2e 126,367.
3	Subtract line 2e from line 1	3 5,576,985.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIV.)	4b
c	Add lines 4a and 4b	4c
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5 5,576,985.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	1 5,682,101.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:	
a	Donated services and use of facilities	2a 126,367.
b	Prior year adjustments	2b
c	Other losses	2c
d	Other (Describe in Part XIV.)	2d
e	Add lines 2a through 2d	2e 126,367.
3	Subtract line 2e from line 1	3 5,555,734.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIV.)	4b
c	Add lines 4a and 4b	4c
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5 5,555,734.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

ENDOWMENT FUNDS

FORM 990, SCHEDULE D, PART V, LINE 4

THE BALLET'S ENDOWMENT CONSISTS OF TWO INDIVIDUAL FUNDS ESTABLISHED TO FUND SCHOLARSHIPS TO THE BALLET SCHOOL.

Part XIV Supplemental Information *(continued)*

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total events (add col. (a) through col. (c))
		GALA (event type)	NUTCRACKER (event type)	0 (total number)	
Revenue	1	Gross receipts	263,870.	50,470.	314,340.
	2	Less: Charitable contributions	233,870.	32,336.	266,206.
	3	Gross income (line 1 minus line 2)	30,000.	18,134.	48,134.
Direct Expenses	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs	9,017.		9,017.
	7	Food and beverages	34,555.	19,215.	53,770.
	8	Entertainment	6,500.	450.	6,950.
	9	Other direct expenses	35,316.	3,921.	39,237.
	10	Direct expense summary. Add lines 4 through 9 in column (d)			
11	Net income summary. Combine line 3, column (d), and line 10				-60,840.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo		(b) Pull tabs/Instant bingo/progressive bingo		(c) Other gaming		(d) Total gaming (add col. (a) through col. (c))
		Yes	No	Yes	No	Yes	No	
Revenue	1	Gross revenue						
Direct Expenses	2	Cash prizes						
	3	Noncash prizes						
	4	Rent/facility costs						
	5	Other direct expenses						
	6	Volunteer labor	Yes _____ % No	Yes _____ % No	Yes _____ % No			
7	Direct expense summary. Add lines 2 through 5 in column (d)							()
8	Net gaming income summary. Combine line 1, column d, and line 7							

	Yes	No
9 Enter the state(s) in which the organization operates gaming activities: _____ a Is the organization licensed to operate gaming activities in each of these states? _____ b If "No," explain: _____	9a	
10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? b If "Yes," explain: _____	10a	
11 Does the organization operate gaming activities with nonmembers? _____	11	
12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? _____	12	

13 Indicate the percentage of gaming activity operated in.

a	The organization's facility	13a	%
b	An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?

b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____.

c If "Yes," enter name and address of the third party:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

Director/officer Employee Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

	Yes	No
13a		
13b		
14		
15a		
16		
17a		

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

- ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
- ▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
BALLET ARIZONA

Employer identification number
86-0367773

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|--|---|
| <input type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1a		
1b		
2		
3		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2009

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Area with horizontal dashed lines for supplemental information.

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization
BALLET ARIZONA

Noncash Contributions

▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
▶ **Attach to Form 990.**

OMB No 1545-0047

2009

**Open To Public
Inspection**

Employer identification number
86-0367773

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art-Works of art				
2 Art-Historical treasures				
3 Art-Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities-Publicly traded	X	5	60,313.	SELLING PRICE
10 Securities-Closely held stock				
11 Securities-Partnership, LLC, or trust interests				
12 Securities-Miscellaneous				
13 Qualified conservation contribution-Historic structures				
14 Qualified conservation contribution-Other				
15 Real estate-Residential				
16 Real estate-Commercial				
17 Real estate-Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (FLOWERS)	X	1	5,354.	COMPARABLE SALES
26 Other ▶ ()				
27 Other ▶ ()				
28 Other ▶ ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29** 0

	Yes	No
30 a During the year, did the organization receive by contribution any property reported in Part I, line 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?		X
32 a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II.		

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

**Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.**

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

BALLET ARIZONA

Employer identification number

86-0367773

ATTACHMENT 2

MEMBERS OF THE ORGANIZATION

FORM 990, PART VI, SECTION A, LINE 6

THE MEMBERS OF THE CORPORATION SHALL BE ANY DIRECTOR, ANY EMPLOYEE OF THE CORPORATION AND ANY CONTRIBUTOR TO THE CORPORATION AND SHALL BE DEEMED TO BE MEMBERS AS OF THE DATE SUCH PERSONS WERE ELECTED AS DIRECTOR, OR COMMENCED EMPLOYMENT AS AN EMPLOYEE OF THE CORPORATION, OR MADE A CONTRIBUTION TO THE CORPORATION.

REVIEW OF FORM 990

FORM 990, PART VI, SECTION B, LINE 11A

THE FORM 990 WAS PREPARED BY AN OUTSIDE ACCOUNTING FIRM AND REVIEWED BY THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS BEFORE IT WAS FINALIZED AND FILED.

CONFLICT OF INTEREST POLICY

FORM 990, PART VI, SECTION B, LINE 12C

A CONFLICT OF INTEREST FORM MUST BE COMPLETED AND SIGNED ANNUALLY BY EACH MEMBER OF THE BOARD OF DIRECTORS. IN CONNECTION WITH ANY ACTUAL OR POSSIBLE CONFLICTS OF INTEREST, AN INTERESTED PERSON MUST DISCLOSE THE EXISTENCE AND NATURE OF HIS OR HER FINANCIAL INTEREST TO THE DIRECTORS AND MEMBERS OF COMMITTEES WITH BOARD-DELEGATED POWERS CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT.

AFTER DISCLOSURE OF THE FINANCIAL INTEREST, THE INTERESTED PERSON SHALL

Name of the organization

BALLET ARIZONA

Employer identification number

86-0367773

ATTACHMENT 2 (CONT'D)

LEAVE THE BOARD OR COMMITTEE MEETING WHILE THE FINANCIAL INTEREST IS
DISCUSSED AND VOTED UPON.

THE CHAIRPERSON OF THE BOARD OR COMMITTEE SHALL, IF APPROPRIATE, APPOINT
A DISINTERESTED PERSON OR COMMITTEE TO INVESTIGATE ALTERNATIVES TO THE
PROPOSED TRANSACTION. AFTER EXERCISING DUE DILIGENCE, THE BOARD SHALL
DETERMINE WHETHER BAZ CAN OBTAIN A MORE ADVANTAGEOUS TRANSACTION OR
ARRANGEMENT WITH REASONABLE EFFORTS FROM A PERSON OR ENTITY THAT WOULD
NOT GIVE RISE TO A CONFLICT OF INTEREST. IF NOT, THE BOARD SHALL
DETERMINE BY A MAJORITY VOTE OF THE DISINTERESTED DIRECTORS WHETHER THE
TRANSACTION OR ARRANGEMENT IS IN BAZ'S BEST INTEREST AND WHETHER THE
TRANSACTION IS FAIR AND REASONABLE.

COMPENSATION OF OFFICERS & KEY EMPLOYEES

FORM 990, PART VI, SECTION B, LINE 15A & 15B

THE BOARD OF DIRECTORS AUTHORIZED THE CHAIRMAN AND THE VICE CHAIRMAN TO
NEGOTIATE THE RENEWAL OF THE CONTRACT OF THE ARTISTIC DIRECTOR. THE
CHAIRMAN AND THE VICE CHAIRMAN SOLICITED AND OBTAINED COMPARABLE
COMPENSATION INFORMATION FOR SIMILARLY QUALIFIED PERSONS IN A
FUNCTIONALLY COMPARABLE POSITION AT SIMILAR ORGANIZATIONS, FROM AN
INDEPENDENT THIRD PARTY. COMPENSATION DECISIONS WERE DOCUMENTED IN THE
MINUTES OF THESE MEETINGS. THE DATE OF THE LAST COMPENSATION REVIEW WAS
FEBRUARY 22, 2010.

THE EXECUTIVE DIRECTOR AND THE HUMAN RESOURCES MANAGER DETERMINED THE
COMPENSATION OF THE CHIEF FINANCIAL OFFICER BASED ON A COMPARATIVE STUDY
OF OTHER DEPARTMENT HEADS IN THE ORGANIZATION AND OTHER OFFICERS WITHIN

Name of the organization

BALLET ARIZONA

Employer identification number

86-0367773

ATTACHMENT 2 (CONT'D)

THE LOCAL ARTS AND CULTURE DOMAIN.

DISCLOSURE

FORM 990, PART VI, SECTION C, LINE 19

THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND
FINANCIAL STATEMENTS ARE ALL AVAILABLE UPON REQUEST.

MOST SIGNIFICANT ACTIVITY CONT.

FORM 990, PART I, LINE 1

...AT THE SCHOOL OF BALLET ARIZONA. IN ADDITION, THIS YEAR THE COMPANY
ALSO PERFORMED IN WASHINGTON, D.C.

Application for Extension of Time To File an Exempt Organization Return

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

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box **X**
 - 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 BALLET ARIZONA	Employer identification number 86-0367773
	Number, street, and room or suite no. If a P.O. box, see instructions. 3645 E. INDIAN SCHOOL ROAD	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. PHOENIX, AZ 85018	

File by the due date for filing your return See instructions

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

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ PAT DIEKEN

Telephone No. ▶ 602 381-0184 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 02/15, 2011, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year _____ or
- ▶ tax year beginning 07/01, 2009, and ending 06/30, 2010.

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	\$ 0.
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.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.