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Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No. 1545-0052

2009

For calendar year 2009, or tax year beginning AUG 1, 2009 , and ending JUL 31, 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: JAMES S. KEMPER FOUNDATION

Number and street (or P.O. box number if mail is not delivered to street address): 20 N. WACKER DRIVE — Room/suite: 1823

City or town, state, and ZIP code: CHICAGO, IL 60606

A Employer identification number: 36-6007812

B Telephone number: (312)332-3114

C If exemption application is pending, check here ▶ ☐

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

H Check type of organization: [X] Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 33,236,846.

J Accounting method: ☐ Cash [X] Accrual
☐ Other (specify) (Part I, column (d) must be on cash basis.)

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received				
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	619,660.	619,660.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-1,760,743.			
	b Gross sales price for all assets on line 6a 14,018,837.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	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 or (loss)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	-1,141,083.	619,660.	0.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	281,154.	0.	0.	279,320.
	14 Other employee salaries and wages	70,479.	0.	0.	70,020.
	15 Pension plans, employee benefits	56,111.	0.	0.	56,111.
	16a Legal fees				
	b Accounting fees STMT 2	47,640.	6,291.	0.	39,865.
	c Other professional fees STMT 3	214,327.	214,327.	0.	0.
	17 Interest				
	18 Taxes STMT 4	37,154.	0.	0.	20,813.
	19 Depreciation and depletion	1,740.	0.	0.	
	20 Occupancy	33,500.	0.	0.	33,652.
	21 Travel, conferences, and meetings	7,900.	0.	0.	7,928.
	22 Printing and publications				
	23 Other expenses STMT 5	114,133.	0.	0.	111,977.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	864,138.	220,618.	0.	619,686.
	25 Contributions, gifts, grants paid	1,003,363.			1,089,981.
	26 **Total expenses and disbursements.** Add lines 24 and 25	1,867,501.	220,618.	0.	1,709,667.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-3,008,584.			
	b **Net investment income** (if negative, enter -0-)		399,042.		
	c **Adjusted net income** (if negative, enter -0-)			0.	

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07540124 099375 027-51185-00 2009.05030 JAMES S. KEMPER FOUNDATION 027-5191

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	1,854,565.	976,896.	976,896.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	5,419.	5,615.	5,615.
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock			
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less. accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 6	29,211,646.	32,214,207.	32,214,207.
	14 Land, buildings, and equipment: basis ▶ 29,936.			
	Less. accumulated depreciation ▶ 27,579.	4,096.	2,357.	2,357.
	15 Other assets (describe ▶ STATEMENT 7)	51,281.	37,771.	37,771.
	16 **Total assets** (to be completed by all filers)	31,127,007.	33,236,846.	33,236,846.
Liabilities	17 Accounts payable and accrued expenses	26,519.	32,469.	
	18 Grants payable	786,368.	786,050.	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ STATEMENT 8)	478,959.	399,484.	
	23 **Total liabilities** (add lines 17 through 22)	1,291,846.	1,218,003.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	29,835,161.	32,018,843.	
	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, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances**	29,835,161.	32,018,843.	
	31 **Total liabilities and net assets/fund balances**	31,127,007.	33,236,846.	

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	29,835,161.
2 Enter amount from Part I, line 27a	2	-3,008,584.
3 Other increases not included in line 2 (itemize) ▶ UNREALIZED GAIN ON INVESTMENTS	3	5,192,266.
4 Add lines 1, 2, and 3	4	32,018,843.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	32,018,843.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a NORTHERN TRUST A/C 2222757	P	VARIOUS	VARIOUS
b			
c			
d			
e			

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	14,018,837.		15,779,580.	-1,760,743.
b				
c				
d				
e				

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				-1,760,743.
b				
c				
d				
e				

2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	-1,760,743.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	1,341,917.	30,114,843.	.044560
2007	2,522,046.	43,236,211.	.058332
2006	1,991,691.	44,301,295.	.044958
2005	1,615,847.	40,994,299.	.039416
2004	1,555,650.	38,170,262.	.040756

2 Total of line 1, column (d)	2	.228022
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	.045604
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	32,659,110.
5 Multiply line 4 by line 3	5	1,489,386.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,990.
7 Add lines 5 and 6	7	1,493,376.
8 Enter qualifying distributions from Part XII, line 4	8	1,709,667.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b	1	3,990.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	3,990.
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	3,990.
6	Credits/Payments:		
a	2009 estimated tax payments and 2008 overpayment credited to 2009 — 6a: 6,629.		
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	6,629.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	2,639.
11	Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ 2,639. **Refunded** ▶	11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ IL			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

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

Website address ▶ WWW.JSKEMPER.ORG

14 The books are in care of ▶ RYAN LAHURD, EXECUTIVE DIRECTOR Telephone no. ▶ 312-320-3114

Located at ▶ 20 N. WACKER DR., STE 1823, CHICAGO, IL ZIP+4 ▶ 60606

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

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

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

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

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

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

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

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

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

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

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

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

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

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? N/A **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.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 9		279,320.	14,104.	0.

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

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
DIANE M. MATTISON 943 RED HAWK DR, ANTIOCH, IL 60002	PROGRAM ASSOCIATE 40.00	70,020.	4,201.	0.

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

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 SEE STATEMENT 10	448,397.
2 GRANT ADMINISTRATION	201,414.
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:			
a	Average monthly fair market value of securities		1a	33,111,428.
b	Average of monthly cash balances		1b	45,029.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	33,156,457.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2	Acquisition indebtedness applicable to line 1 assets		2	0.
3	Subtract line 2 from line 1d		3	33,156,457.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	497,347.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	32,659,110.
6	**Minimum investment return.** Enter 5% of line 5		6	1,632,956.

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	1,632,956.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 3,990.		
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	3,990.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	1,628,966.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	1,628,966.
6	Deduction from distributable amount (see instructions)		6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	1,628,966.

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	1,709,667.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,709,667.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	3,990.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,705,677.

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				1,628,966.
2 Undistributed income, if any, as of the end of 2009.				
a Enter amount for 2008 only			57,834.	
b Total for prior years: _____ , _____ , _____		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 1,709,667.				
a Applied to 2008, but not more than line 2a			57,834.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				1,628,966.
e Remaining amount distributed out of corpus	22,867.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	22,867.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	22,867.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009	22,867.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon: a "Assets" alternative test - enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year-see the instructions.)

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000). (See section 507(d)(2).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

SEE STATEMENT 11

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE ATTACHMENT PROVIDED				
Total ▶ 3a				0.
b Approved for future payment SEE ATTACHMENT PROVIDED				
Total ▶ 3b				0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income
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					
4 Dividends and interest from securities					619,660.
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					-1,760,743.
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		0.	-1,141,083.
13 Total. Add line 12, columns (b), (d), and (e)				13	-1,141,083.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).
4	INVESTMENT INCOME FROM SECURITIES HELD BY THE FOUNDATION
8	NET REALIZED LOSS ON SECURITIES SOLD BY THE FOUNDATION.

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

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of:			
(1) Cash	1a(1)		X
(2) Other assets	1a(2)		X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities, equipment, or other assets	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

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

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

Sign Here ▶ Signature of officer or trustee | Date 1/27/11 | ▶ Title President

Paid Preparer's Use Only

Preparer's signature ▶ | Date 1/24/11 | Check if self-employed ▶ ☐ | Preparer's identifying number

Firm's name (or yours if self-employed), address, and ZIP code ▶ CLIFTON GUNDERSON LLP, 1301 W 22ND ST, STE 1100, OAK BROOK, IL 60523 | EIN ▶ | Phone no. (630) 573-8600

The James S Kemper Foundation
Fixed Asset Listing
For the year ended July 31, 2010
Form 990 PF, Part II, Balance Sheet, Line 14, Column B

Asset	Property Description	Date in Service	Cost	Salvage Value	Acc Depr at 7/31/09	Current Deprec	Acc Dep at 7/31/10	Net Book Value	Method	Period
LEASEHOLD IMPROVEMENTS										
	Office Space Build Out	12/01/2003	1,780	-	1,780	-	1,780	-	S/L	5
OFFICE EQUIPMENT										
	Fax Machine	9/10/2003	50	-	50	-	50	-	200DB	5
	Office Furn-LMC	9/19/2003	7,160	-	7,160	-	7,160	-	200DB	5
	Phone system	10/15/2003	1,708	-	1,708	-	1,708	-	200DB	5
	Phone system	11/13/2003	1,881	-	1,881	-	1,881	-	200DB	5
	Dell Monitor stands	12/12/2003	438	-	438	-	438	-	200DB	5
	Tape backup	12/19/2003	2,700	-	2,700	-	2,700	-	200DB	5
	Backup for server	5/3/2004	588	-	588	-	588	-	200DB	5
	Cell Phone	6/7/2005	598	-	564	34	598	-	200DB	5
	Projector	4/7/2006	567	-	469	65	535	33	200DB	5
	Dell Laptops	12/28/2006	6,515	-	4,639	751	5,390	1,126	200DB	5
	Server	3/7/2008	1,289	-	670	247	918	371	200DB	5
	Server Install	3/13/2008	1,999	-	1,040	384	1,423	576	200DB	5
	Scanner	10/7/2008	524	-	105	168	272	251	200DB	5
			26,018	-	22,012	1,649	23,661	2,357		
TECHNOLOGY										
	Software-Server/NAV	9/18/2003	1,401	-	1,401	-	1,401	-	200DB	3
	Software-Quickbooks	10/3/2003	329	-	329	-	329	-	200DB	3
	Software-Adobe	3/10/2008	204	-	159	45	204	-	200DB	3
	Software-Adobe	6/6/2008	204	-	159	45	204	-	200DB	3
			2,138	-	2,048	91	2,138	-		
TOTAL			29,936	-	25,839	1,740	27,579	2,357		

James S. Kemper Foundation
2010 Tax
Attachment: Part XV, Line 3a and 3b

Grant Recipient	Street	City	State	Zip Code	Purpose/Conditions (provide funds to.....)	Line 3a Current Yr	Line 3b Futr Yrs
COLLEGES:							
Agnes Scott College	141 E. College Avenue	Decatur	GA	30030	Student Stipend	$22,000	$46,000
					Summer Student Stipend	$12,900	$16,900
					Unrestricted	$900	$1,800
Beloit College	700 College Street	Beloit	WI	53511	Student Stipend	$22,656	$61,500
					Summer Student Stipend	$12,900	$28,800
					Unrestricted	$1,200	$2,700
Knox College	2 East South Street	Galesburg	IL	61401	Student Stipend	$29,000	$62,500
					Summer Student Stipend	$12,900	$28,800
					Unrestricted	$900	$2,700
La Salle University	1900 W Olney Avenue	Philadelphia	PA	19141	Student Stipend	$19,000	$38,000
					Summer Student Stipend	$19,800	$21,900
					Unrestricted	$1,200	$2,400
Lake Forest College	555 North Sheridan Road	Lake Forest	IL	60045	Student Stipend	$25,400	$83,000
					Summer Student Stipend	$12,900	$28,800
					Unrestricted	$900	$2,700
Millikin University	1184 W. Main Street	Decatur	IL	62522	Student Stipend	$16,000	$9,000
					Summer Student Stipend	$9,600	$5,000
					Unrestricted	$900	$900
Pitzer College	1050 N. Mills Avenue	Claremont	CA	91711	Student Stipend	$21,500	$57,000
					Summer Student Stipend	$12,900	$16,900
					Unrestricted	$900	$1,800
Southwestern University	P O Box 770	Georgetown	TX	78627	Student Stipend	$19,000	$53,800
					Summer Student Stipend	$18,900	$28,800
					Unrestricted	$1,200	$3,000

Grantee Institution	Street	City	State	Zip	Purpose of Grant	Amount	Amount
University of the Incarnate Word	4301 Broadway, Box 301	San Antonio	TX	78209	Student Stipend	$26,000	$30,000
					Summer Student Stipend	$9,900	$16,900
					Unrestricted	$1,200	$1,800
Ursinus College	601 E. Main St., P.O. Box 100	Collegeville	PA	19426	Student Stipend	$16,000	$46,000
					Summer Student Stipend	$12,900	$16,900
					Unrestricted	$900	$1,800
Valparaiso University	Kretzmann Hall	Valparaiso	IN	46383	Student Stipend	$33,000	$49,200
					Summer Student Stipend	$12,700	$21,900
					Unrestricted	$1,200	$1,800
Wake Forest University	P.O. Box 7226	Winston-Salem	NC	27109	Student Stipend	$24,000	$70,050
					Summer Student Stipend	$16,800	$33,800
					Unrestricted	$1,200	$3,300
Washington and Lee University	Huntley Hall 213	Lexington	VA	24450	Student Stipend	$33,000	$46,000
					Summer Student Stipend	$14,900	$28,800
					Unrestricted	$1,200	$3,000
Willamette University	900 State Street	Salem	OR	97301	Student Stipend	$60,000	$69,000
					Summer Student Stipend	$22,800	$21,900
					Unrestricted	$1,800	$3,600
Xavier University of Louisiana	1 Drexel Drive	New Orleans	LA	70125	Student Stipend	$30,000	$60,000
					Summer Student Stipend	$8,900	$16,900
					Unrestricted	$900	$1,800
Worchester Polytechnic Institute	100 Institute Road	Worchester	MA	01609	Gerald L. Mattman Fellowship in Fire Protection	$5,000	$5,000
Chicago Chamber Musicians	180 N Stetson Ave, #1330	Chicago	IL	60601	Kemper Fellows Program	$17,500	$0
Court Theatre	5535 S Ellis Ave	Chicago	IL	60637	Kemper Fellows Program	$17,500	$0
Hubbard Street Dance Company	1147 W Jackson Blvd	Chicago	IL	60607	Kemper Fellows Program	$17,500	$0
Pegasus Players	1145 West Wilson Ave	Chicago	IL	60640	Kemper Fellows Program	$17,500	$0
The Ragdale Foundation	1260 N Green Bay Rd	Lake Forest	IL	60045	Kemper Fellows Program	$17,500	$0
Silk Road Theatre Project	680 South Federal St. Suite 301	Chicago	IL	60605	Kemper Fellows Program	$17,500	$0
Total Scholarships						$734,756	$1,154,150

GRANTS							
Donors Forum of Chicago	208 S. LaSalle Street	Chicago	IL	60604	support of annual operations	$2,125	
Field Museum	1400 South Lake Shore Drive	Chicago	IL	60605	support the 2010 summer internship program	$15,000	
Joffrey Ballet of Chicago	10 East Randolph Street	Chicago	IL	60601	support the 2010 intern program for undergraduate students	$15,000	
Links Hall	3535 North Sheffield, #207	Chicago	IL	60657	support the 2010 internship program	$8,500	
Lookingglass Theatre Company	875 N. Michigan Ave., Ste. 2200	Chicago	IL	60611	support the 2010 summer internship program	$6,000	
Rush Hour Concerts at St. James Cathedral	65 East Huron Street	Chicago	IL	60611	support the 2010 internship program	$14,500	
Steppenwolf Theatre Company	758 W. North Ave., 4th Floor	Chicago	IL	60610	support the 2010 theater's internship initiatives	$15,000	
Victory Gardens Theater	2257 N. Lincoln Ave.	Chicago	IL	60614	support the 2010 Arts Management Internship Program	$15,000	
Associated Colleges of Illinois	27 N. Wacker Drive, #521	Chicago	IL	60606	support the college readiness program	$50,000	
Cystic Fibrosis Foundation					Unrestricted	$5,000	
Center for Community Arts Partnerships-Columbia College Chicago	600 S Michigan Ave	Chicago	IL	60605	support the Kemper Community Apprenticeship Program	$12,000	
Chicago Opera Theatre	70 E. Lake St, Suite 815	Chicago	IL	60601	support the 2010 summer internship program	$6,700	
Cottey College	1000 W Austin	Nevada	MO	74772	support the 2010 summer internship program	$15,500	
Deeply Rooted Productions	218 S Wabash, 3rd Floor	Chicago	IL	60604	support the Management Apprenticeship Program (MAP)	$9,000	
Dennison University	Box 716	Granville	OH	43023	support the Student Experiential Learning Program	$15,000	
Domus					Unrestricted	$5,000	
Evanston Historical Society					Unrestricted	$250	
Fork Union Military Academy					Unrestricted	$5,000	
Foundation for the National Institue of Health					Unrestricted	$2,000	
Goodman Theatre	170 N Dearborn	Chicago	IL	60601	support the arts administration internship	$15,000	
Illinois College	1101 W College Ave	Chicago	IL	62650	support Kemper Summer Fellows Program	$15,000	
Inter-American Dialogue					Unrestricted	$500	
International Senior Lawyer's Project					Unrestricted	$500	
Lake Forest College					Unrestricted	$5,000	
Loon Preservation					Unrestricted	$2,500	
National Museum of Mexican Art	1852 W 19th Street	Chicago	IL	60608	support hiring of eight arts management interns for 2010	$10,000	
National Strategy Information Center					Unrestricted	$2,000	
Project Hope					Unrestricted	$500	
Ravinia	418 Sheridan Road	Highland Park	IL	60035	support three interns in the Development Department	$8,600	
Redmoon Theatre	1438 W Kinzie St	Chicago	IL	60622	support the 2010 arts administration internship program	$8,300	
Remy Bumppo Theatre Company	3717 N Ravenswood Ave,St	Chicago	IL	60613	support the internship program	$10,000	
Salvation Army					Unrestricted	$1,000	
St. John's College Sante Fe	1160 Camino Cruz Blanca	Sante Fe	NM	87505	support the Ariel Internship Program on Sante Fe campus	$20,000	
Ten Chimneys Foundation					Unrestricted	$3,000	
The Ragdale Foundation					Unrestricted	$2,500	
U.S. Capitol Historical Society					Unrestricted	$250	
Williamette University	900 State Street	Salem	OR	97301	support undergraduate internships	$25,000	
WTTW & WFMT	5400 N St. Louis Ave	Chicago	IL	60625	support one intern in Development Department summer 2010	$9,000	
Total Grants						$355,225	$0

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
VARIOUS INVESTMENTS	619,660.	0.	619,660.
TOTAL TO FM 990-PF, PART I, LN 4	619,660.	0.	619,660.

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	47,640.	6,291.	0.	39,865.
TO FORM 990-PF, PG 1, LN 16B	47,640.	6,291.	0.	39,865.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT EXPENSES	214,327.	214,327.	0.	0.
TO FORM 990-PF, PG 1, LN 16C	214,327.	214,327.	0.	0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	20,813.	0.	0.	20,813.
FEDERAL TAXES	16,341.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	37,154.	0.	0.	20,813.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
STUDENT EXPENSE	70,548.	0.	0.	67,361.
TELEPHONE	6,058.	0.	0.	6,999.
EQUIPMENT AND REPAIRS	6,003.	0.	0.	6,361.
MISCELLANEOUS	779.	0.	0.	821.
POSTAGE	569.	0.	0.	585.
DUES AND SUBSCRIPTIONS	770.	0.	0.	770.
PUBLIC RELATIONS	4,099.	0.	0.	4,072.
BOARD MEETINGS	1,965.	0.	0.	1,965.
BOOKS & PERIODICALS	941.	0.	0.	1,034.
INSURANCE	20,112.	0.	0.	20,156.
OFFICE SUPPLIES & EXPENSE	2,194.	0.	0.	1,758.
PROFESIONAL DEVELOPMENT	95.	0.	0.	95.
TO FORM 990-PF, PG 1, LN 23	114,133.	0.	0.	111,977.

FORM 990-PF OTHER INVESTMENTS STATEMENT 6

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
HEDGE FUND	FMV	3,610,087.	3,610,087.
FIXED INCOME FUND	FMV	9,645,476.	9,645,476.
VENTURE CAP AND PARTNERSHIPS	FMV	2,337,162.	2,337,162.
S&P 500 EQUITY FUND	FMV	3,138,137.	3,138,137.
400 MIDCAP EQUITY FUND	FMV	434,723.	434,723.
NTCC INT'L SEC FUND	FMV	2,954,389.	2,954,389.
NTCC SMALL CAP FUND	FMV	886,493.	886,493.
COMMODITY FUNDS	FMV	2,504,035.	2,504,035.
NTCC LARGE CAP FUND	FMV	2,073,686.	2,073,686.
NTCC MID CAP FUND	FMV	412,927.	412,927.
NTGI-GM ALL CTRY WORLD EQUITY INDEX	FMV	2,036,081.	2,036,081.
EMERGING MARKETS	FMV	2,181,011.	2,181,011.
TOTAL TO FORM 990-PF, PART II, LINE 13		32,214,207.	32,214,207.

FORM 990-PF OTHER ASSETS STATEMENT 7

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
ACCRUED INTEREST AND DIVIDENDS	31,841.	33,331.	33,331.
DEPOSIT	4,440.	4,440.	4,440.
PREPAID FEDERAL EXCISE TAX AND SUNDRY RECEIVABLE	15,000.	0.	0.
TO FORM 990-PF, PART II, LINE 15	51,281.	37,771.	37,771.

FORM 990-PF OTHER LIABILITIES STATEMENT 8

DESCRIPTION	BOY AMOUNT	EOY AMOUNT
PAYABLE FOR INVESTMENTS PURCHASED	24,559.	30,043.
CONTRIBUTIONS PAYABLE	454,400.	368,100.
ACCRUED FEDERAL EXCISE TAX	0.	1,341.
TOTAL TO FORM 990-PF, PART II, LINE 22	478,959.	399,484.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 9

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DAVID B. MATHIS 20 N. WACKER DRIVE, # 1823 CHICAGO, IL 60606	CHAIRMAN 5.00	0.	0.	0.
JOHN K. CONWAY 20 N. WACKER DRIVE, # 1823 CHICAGO, IL 60606	SECRETARY 5.00	0.	0.	0.
JOHN T. CHAIN, JR. 20 N. WACKER DRIVE, # 1823 CHICAGO, IL 60606	TRUSTEE 5.00	0.	0.	0.
J. REED COLEMAN 20 N. WACKER DRIVE, # 1823 CHICAGO, IL 60606	TRUSTEE/CHAIR OF ADM & F/C 5.00	0.	0.	0.
PETER B. HAMILTON 20 N. WACKER DRIVE, # 1823 CHICAGO, IL 60606	TRUSTEE, CHAIR INVEST COM 5.00	0.	0.	0.
GEORGE R. LEWIS 20 N. WACKER DRIVE, # 1823 CHICAGO, IL 60606	TRUSTEE, CHAIR AUDIT COM 5.00	0.	0.	0.
JOHN E. PORTER 20 N. WACKER DRIVE, # 1823 CHICAGO, IL 60606	TRUSTEE 5.00	0.	0.	0.
E B SMITH 20 N. WACKER DRIVE, # 1823 CHICAGO, IL 60606	ASSOC EXEC DIRECTOR/TREASU 30.00	85,070.	5,104.	0.
RYAN LAHURD 20 N. WACKER DRIVE, # 1823 CHICAGO, IL 60606	EXEC DIR & PRESIDENT 50.00	194,250.	9,000.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		279,320.	14,104.	0.

FORM 990-PF SUMMARY OF DIRECT CHARITABLE ACTIVITIES STATEMENT 10

ACTIVITY ONE

SCHOLARSHIP PROGRAM - A MAJOR ACTIVITY OF THE FOUNDATION IS TO CONDUCT AN EDUCATION AND SCHOLARSHIP PROGRAM FOR COLLEGE UNDERGRADUATES, SELECTED THROUGH PARTICIPATING COLLEGES AND UNIVERSITIES ON A NATIONAL BASIS, TO PREPARE THEM FOR CAREERS IN BUSINESS. THE PROGRAM COVERS THE LAST THREE YEARS OF UNDERGRADUATE LIFE, AND INCLUDES INDIVIDUALIZED ACADEMIC AND CAREER ADVISING, EDUCATIONAL SUPPORTING MATERIALS DURING THE ACADEMIC YEAR, AND ASSIGNMENTS TO EDUCATIONALLY RELEVANT SUMMER INTERNSHIPS IN BUSINESS AND NOT-FOR-PROFIT INSTITUTIONS. IT IS PROVIDED FOR ALL RECIPIENTS OF THE KEMPER SCHOLARSHIPS AS DESCRIBED IN THE ATTACHMENT TO PART XV, LINE 3A - UP TO ABOUT 60 INDIVIDUALS ANNUALLY. FOUNDATION PROGRAM-RELATED EXPENSES ARE COMMITTED TO ALL ASPECTS OF THE SCHOLARSHIP/EDUCATION PROGRAM.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 1	448,397.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 11
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

SEE ATTACHMENT

TELEPHONE NUMBER

FORM AND CONTENT OF APPLICATIONS

THE APPLICATION FORM FOR SCHOLARSHIPS IS ATTACHED.

ANY SUBMISSION DEADLINES

DEADLINE VARIES AT EACH INSTITUTION

RESTRICTIONS AND LIMITATIONS ON AWARDS

APPLICANTS FOR SCHOLARSHIP 1) MUST BE INTERESTED IN A CAREER IN BUSINESS, 2) HAVE SOLID ACADEMIC POTENTIAL AND ABILITY, AND 3) HAVE THE MATURITY, PERSPECTIVE AND MOTIVATION TO COPE WITH AND LEARN FROM SUMMERS OF WORK EXPERIENCE IN A RIGOROUS PROFESSIONAL ENVIRONMENT

Attachment Part XV, Line 2a

Applications for the Foundation's Kemper scholarships are administered through 15 (fifteen) specific institutions. Addresses and contact information are as follows:

KEMPER SCHOLARS PROGRAM COORDINATORS
2010-2011 Academic Year

Isa D. Williams, Ph.D
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Women's Studies Director
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Schools of Business
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Cindy Harris
Co-coordinator of Kemper Scholars Program
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Margaret Franson
Associate Dean of Christ College/
Academic Advisor
Valparaiso University
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Margaret.Franson@valpo.edu
Fax: 219-464-5159

Holly H. Brower, Ph.D.
Associate Professor
Director of Internship Development
Business and Enterprise Management Program

Robert D. Straughan, Ph.D.
Associate Dean
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Economics and Politics
Washington and Lee University
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straughanr@wlu.edu
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Monique Bourque, Ph.D.
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Attachment: Part XV, Line 2a

The Kemper Foundation offers one fellowship by invitation only.

- Gerald L. Maatman Fellowship Fire Protection Engineering
  Center for Fire Safety Studies
  Worcester Polytechnic Institute
  100 Institute Road
  Worcester, MA 01609

Who is the Ideal Kemper Scholars Candidate?

Like the Foundation's founder, the Trustees of the James S. Kemper Foundation believe that a liberal arts education is the best preparation for life and a career, including careers in organizational leadership and business. Too often, students prematurely select a vocational major thinking it the best road to a professional career. Others study the liberal arts but believe that having a position of leadership in a corporation or not-for-profit organization is not feasible for them or not worthwhile. The Kemper Scholars Program encourages students to major in the liberal arts, while providing them experiential education, mentoring, contacts, and training to position them for careers helping to lead organizations.

Kemper Scholars Profile

Academic Achievement and Potential. While a 3.00 grade point average is the minimum requirement, most Kemper Scholars will have a 3.50 or better, both in high school and in college. Students who achieve less than a semester or cumulative GPA of at least 3.0 for two semesters will be dropped from the program.

Academic Major. Scholars may major in any liberal arts field or in business-related fields like business or accounting, but students from other professionally-oriented majors such as nursing, social work, or education will not be selected. In any case, successful candidates will be broadly interested and intellectually curious. Students in majors requiring that they use their summers for research or major-related internships should not apply. Kemper Scholars Program internships are intended to be in organizational management broadly. The Kemper Scholars Program does not support internships related to developing specific career skills (e.g., psychological counseling, acting, instrumental performance).

Leadership in School and Community. Kemper Scholars will demonstrate a capacity for leadership, both in high school and in college.

Commitment to Citizenship and Service. Service is an underlying principle of leadership. Prospective candidates must display a commitment to helping others and serving society. A record of community service activity in high school or college is important.

Interest in Organizational Leadership and Business. The program aims to prepare broadly-educated leaders for corporate and not-for-profit organizations. Because all Scholars will have internship placements in administrative areas of both not-for-profit and for-profit organizations, they must have a genuine interest in exploring such a career. The Kemper Scholars Program will not be a good choice for students who are convinced that they want careers in fields like writing, laboratory science, acting, or teaching.

Intellectual Curiosity and Independence. The program will be most satisfying to students who are eager to learn new things and can relate their experiences to academic preparation or career aspirations.

Unusual Maturity, Openness and Flexibility. In the summer, Kemper Scholars will live and work as independent adults. They will need to relate well to adults in the workplace, to adjust to unexpected events, and to make wise decisions about life away from work. Kemper Scholars will become part of a very diverse group and must be open to and accepting of fellow Kemper Scholars with differences in politics, religion, culture, interests, and sexual orientation.

Need and Opportunity. For many, the Kemper Scholars Program has provided the first chance to work alongside adult professionals, to live independently away from home, and to imagine a professional career. For such students the program often has the greatest value and makes the greatest impact. While these are not the primary criteria, personal background and financial need may be considered in the selection process.

Diversity. The Kemper Foundation seeks to recruit Scholars from diverse academic majors and economic, ethnic and geographical backgrounds. We seek also to achieve a group balanced between male and female participants.

Parental Support. Kemper Scholars must have parental support for their participation and parental willingness to have students travel to Chicago for meetings and for the summer internship. Prospective Kemper Scholars are responsible to ensure before applying that their parent(s) or guardian(s) will be comfortable with their living and working in Chicago for the summer. The Chicago summer experience is an indispensable part of the Kemper Scholars Program. Parents or guardians should understand that the Kemper Scholars Program is designed so that staff members deal directly with students and not parents or guardians in matters related to the program except in unusual circumstances.

Social Security Number. Beginning with the 2010-2011 application process, applicants must possess a valid United States Government Social Security number which can be shared with Foundation staff. Like all other personal information, the number will be kept secure and confidential.

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

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ [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	Employer identification number
	JAMES S. KEMPER FOUNDATION	36-6007812
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 20 N. WACKER DRIVE, NO. 1823	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CHICAGO, IL 60606	

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

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

- The books are in the care of ▶ RYAN LAHURD, EXECUTIVE DIRECTOR 20 N. WACKER DR., STE 1823 - CHICAGO, IL 60606

  Telephone No ▶ 312-320-3114 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 MARCH 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

▶ [X] tax year beginning AUG 1, 2009, and ending JUL 31, 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	$ 3,990.
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	$ 6,629.
c	**Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ 0.

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

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

923831 05-26-09

11421206 099375 027-51185-00 2009.05000 JAMES S. KEMPER FOUNDATION 027-5191