



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



Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

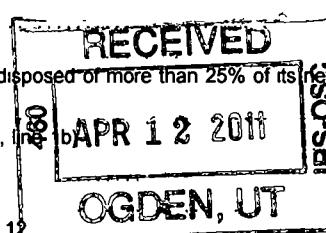
A For the 2009 calendar year, or tax year beginning 10/01/09, and ending 09/30/10

B Check if applicable	C Name of organization THE BLUES FOUNDATION, INC.		D Employer identification number 62-1083757
<input type="checkbox"/> Address change	Doing Business As		E Telephone number 901-527-2583
<input type="checkbox"/> Name change	Number and street (or P O box if mail is not delivered to street address) 49 UNION AVENUE		F Gross receipts \$ 928,176
<input type="checkbox"/> Initial return	Room/suite		G
<input type="checkbox"/> Termination	City or town, state or country, and ZIP + 4 MEMPHIS TN 38103		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Amended return	F Name and address of principal officer		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Application pending			If "No," attach a list. (see instructions)

I Tax-exempt status 501(c) (3) (insert no) 4947(a)(1) or 527J Website: ► **WWW.BLUES.ORG**K Type of organization Corporation Trust Association Other ► L Year of formation 1980 M State of legal domicile TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities

**TO PRESERVE BLUES HISTORY, TO CELEBRATE BLUES EXCELLENCE AND
TO SUPPORT BLUES EDUCATION**

2 Check this box ► if the organization discontinued its operations or disposed of more than 25% of its net assets
 3 Number of voting members of the governing body (Part VI, line 1a)
 4 Number of independent voting members of the governing body (Part VI, line 1b)
 5 Total number of employees (Part V, line 2a)
 6 Total number of volunteers (estimate if necessary)
 7a Total gross unrelated business revenue from Part VIII, column (C), line 12
 b Net unrelated business taxable income from Form 990-T, line 34

3	25
4	25
5	3
6	400
7a	71,695
7b	17,425

		Prior Year	Current Year
		206,646	204,122
Revenue	8 Contributions and grants (Part VIII, line 1h)	518,189	570,481
	9 Program service revenue (Part VIII, line 2g)	8,196	2,826
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	57,663	84,127
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	790,694	861,556
	12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	34,135	36,501
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	170,080	176,204
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) ►	4,562	
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	514,331	591,367
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	718,546	804,072
	19 Revenue less expenses Subtract line 18 from line 12	72,148	57,484
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	660,078	733,780
	21 Total liabilities (Part X, line 26)	3,796	19,173
	22 Net assets or fund balances Subtract line 21 from line 20	656,282	714,607

Part II Signature Block

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 officer) is based on all information of which preparer has any knowledge

Sign Here	Signature of officer <i>Jay Sieleman</i>	Date <i>4-4-1</i>
	Signature of officer <i>Jay Sieleman, Executive Director</i>	Date
Paid Preparer's Use Only	Preparer's signature <i>John C. CPA</i>	Date 03/30/11

Paid Preparer's Use Only	Preparer's signature <i>John C. CPA</i>	Date 03/30/11	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions) P00505342
	Firm's name (or yours if self-employed), address, and ZIP + 4 WHITEHORN TANKERSLEY & DAVIS, PLLC 670 OAKLEAF OFFICE LANE MEMPHIS, TN 38117-4811	EIN ► 62-1039882	Phone no ► 901-767-5080	

May the IRS discuss this return with the preparer shown above? (see instructions)

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.
DAAX Yes No
Form 990 (2009)

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

**TO PRESERVE BLUES HISTORY, TO CELEBRATE BLUES EXCELLENCE AND
TO SUPPORT BLUES EDUCATION**

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 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 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 \$ 302,751 including grants of \$) (Revenue \$ 112,800)

THE BLUES MUSIC AWARDS BRING TOGETHER BLUES PERFORMERS, INDUSTRY REPRESENTATIVES AND FANS FROM ALL OVER THE WORLD TO CELEBRATE THE BEST IN BLUES RECORDINGS AND PERFORMANCES FROM THE PREVIOUS YEAR. EACH YEAR, THE FOUNDATION PRESENTS THE BLUES MUSIC AWARDS TO THE ARTISTS SELECTED BY ITS MEMBERS. THEY ARE INTERNATIONALLY RECOGNIZED AS THE HIGHEST HONOR GIVEN TO BLUES ARTISTS.

4b (Code) (Expenses \$ 122,694 including grants of \$) (Revenue \$ 144,859)

THE INTERNATIONAL BLUES CHALLENGE HAS EVOLVED INTO THE WORLD'S BIGGEST AND MOST RESPECTED SHOWCASE FOR BLUES MUSICIANS READY TO TAKE THEIR ACT TO THE NEXT LEVEL. THE IBC IS A JUDGED "BATTLE OF THE BANDS" IN WHICH COMPETITORS TAKE THE STAGE AND PLAY A SHORT SET FOR A PANEL OF JUDGES. THE ACTS ARE JUDGED BASED ON AN ESTABLISHED SET OF CRITERIA. THE FOUR-DAY EVENT ALSO FEATURES PANELS EXPLORING AREAS OF INTEREST TO THE BLUES GENRE.

4c (Code) (Expenses \$ 100,390 including grants of \$) (Revenue \$ 74,900)

MEMBER AND PUBLIC INFORMATIONAL SERVICES--THROUGHOUT THE YEAR, THE FOUNDATION WEBSITE AND STAFF SERVE THE WORLDWIDE BLUES COMMUNITY WITH ANSWERS, CONTACT INFORMATION AND NEWS.

4d Other program services (Describe in Schedule O)

(Expenses \$ 104,719 including grants of \$) (Revenue \$)

4e Total program service expenses ► 630,554

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

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? If "Yes," complete Schedule C, Part I

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II

5 **Section 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? If "Yes," complete Schedule C, Part III

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? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

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? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

- Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI
- Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII
- Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII
- Did the organization report an amount for other assets related in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX
- Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X
- Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X

12 Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII

12A Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

b 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? If "Yes," complete Schedule F, Part I

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? If "Yes," complete Schedule F, Part II

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? If "Yes," complete Schedule F, Part III

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? If "Yes," complete Schedule G, Part I

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H

	Yes	No
1	X	
2	X	
3		X
4		X
5		
6		X
7		X
8	X	
9		X
10		X
11	X	
12	X	
12A		X
13		X
14a		X
14b		X
15		X
16		X
17		X
18		X
19		X
20		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21 <input checked="" type="checkbox"/>	
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22 <input checked="" type="checkbox"/>	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23 <input checked="" type="checkbox"/>	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a <input checked="" type="checkbox"/>	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b <input type="checkbox"/>	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c <input type="checkbox"/>	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d <input type="checkbox"/>	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a <input checked="" type="checkbox"/>	
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b <input checked="" type="checkbox"/>	
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26 <input checked="" type="checkbox"/>	
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27 <input checked="" type="checkbox"/>	
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a <input checked="" type="checkbox"/>	
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b <input checked="" type="checkbox"/>	
c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c <input checked="" type="checkbox"/>	
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29 <input checked="" type="checkbox"/>	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30 <input checked="" type="checkbox"/>	
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31 <input checked="" type="checkbox"/>	
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32 <input checked="" type="checkbox"/>	
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33 <input checked="" type="checkbox"/>	
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34 <input checked="" type="checkbox"/>	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35 <input checked="" type="checkbox"/>	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36 <input checked="" type="checkbox"/>	
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37 <input checked="" type="checkbox"/>	
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38 <input checked="" type="checkbox"/>	

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns. Enter -0- if not applicable	1a 12	
1b			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	N/A	1c
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 3	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)		2b X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		3a X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		3b X
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a X
b	If "Yes," enter the name of the foreign country ► See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		5c
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		6a X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b
7	Organizations that may receive deductible contributions under section 170(c).		7a X
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		7b
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7c X
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7e X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	7f X
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7g X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7h X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		8
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		9a
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		9b
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		12a
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

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

- 1a Enter the number of voting members of the governing body **25**
- b Enter the number of voting members that are independent **25**
- 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? **X**
- 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? **X**
- 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? **X**
- 5 Did the organization become aware during the year of a material diversion of the organization's assets? **X**
- 6 Does the organization have members or stockholders? **X**
- 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? **X**
- b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? **X**
- 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following **X**
- a The governing body? **X**
- b Each committee with authority to act on behalf of the governing body? **X**
- 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O **X**

	Yes	No
1a	25	
1b	25	
2		X
3		X
4		X
5		X
6		X
7a		X
7b		X
8a	X	
8b	X	
9		X

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

- 10a Does the organization have local chapters, branches, or affiliates? **X**
- b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?
- 11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? **X**
- 11a Describe in Schedule O the process, if any, used by the organization to review this Form 990
- 12a Does the organization have a written conflict of interest policy? If "No," go to line 13
- b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?
- c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done
- 13 Does the organization have a written whistleblower policy? **X**
- 14 Does the organization have a written document retention and destruction policy? **X**
- 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?
- a The organization's CEO, Executive Director, or top management official
- b Other officers or key employees of the organization
- If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)
- 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?
- b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

	Yes	No
10a		X
10b		
11		X
12a		X
12b		
12c		
13	X	
14		X
15a	X	
15b		X
16a		X
16b		

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ► **TN**
- 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. Indicate how you make these available. Check all that apply
 Own website Another's website Upon request
- 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 ► **THE BLUES FOUNDATION** **49 UNION AVENUE** **TN 38111** **901-527-2583**

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	Institutional trustee	Officer	Key employee	Highest compensated			
GARY ANTON DIRECTOR	1.00	X					0	0	0
ERIC STEINER DIRECTOR	1.00	X					0	0	0
PHIL BARKETT III DIRECTOR	1.00	X					0	0	0
THOMAS CAIN DIRECTOR	1.00	X					0	0	0
KATHHEY BOLMER DIRECTOR	1.00	X					0	0	0
JOSTEIN FORSBERG DIRECTOR	1.00	X					0	0	0
ZAC HARMON DIRECTOR	1.00	X					0	0	0
STEVE BRYSON DIRECTOR	1.00	X					0	0	0
KEVIN KANE DIRECTOR	1.00	X					0	0	0
TOM JONES DIRECTOR	1.00	X					0	0	0
JERRY MASON DIRECTOR	1.00	X					0	0	0
STEFAN LEVY DIRECTOR	1.00	X					0	0	0
DOROTHY MOORE DIRECTOR	1.00	X					0	0	0
BOB TRENCHARD, JR DIRECTOR	1.00	X					0	0	0
RON PARTAIN DIRECTOR	1.00	X					0	0	0
GAYNELL ROGERS DIRECTOR	1.00	X					0	0	0
THOMAS RUF DIRECTOR	1.00	X					0	0	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
		Former officer or director	Individual trustee	Institutional trustee	Officer	Key employee	Highest compensated employee	
ERIC SIMONSEN								
VICE PRESIDENT	1.00	X		X			0	0
JOEY SICHTING								
DIRECTOR	1.00	X					0	0
RICKY STEVENS								
DIRECTOR	1.00	X					0	0
CASSIE TAYLOR								
DIRECTOR	1.00	X					0	0
SADE TURNIPSEED								
DIRECTOR	1.00	X					0	0
BILL WAX								
PRESIDENT	1.00	X		X			0	0
LAURIE TUCKER								
DIRECTOR	1.00	X					0	0
HUGH SOUTHARD								
DIRECTOR	1.00	X					0	0
JAY SIELEMAN								
DIRECTOR	40.00			X			80,998	0
CLAYTON C. PURDOM								
TREASURER	1.00			X			0	0
1b Total						►	80,998	

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 ► 0

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

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

Yes	No
3	X
4	X
5	X

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

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 ►

0

Part VIII Statement of Revenue

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).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(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	21,620	21,620		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	14,881	14,881		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	80,998	54,269	25,919	810
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	68,913	46,172	22,052	689
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	14,824	9,932	4,744	148
10 Payroll taxes	11,469	7,684	3,670	115
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting	11,220		11,220	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion	22,354	22,354		
13 Office expenses	53,473	35,232	18,241	
14 Information technology				
15 Royalties				
16 Occupancy	55,376	39,954	15,063	359
17 Travel	3,699	3,699		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,575		2,575	
23 Insurance	2,706		2,706	
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 EQUIPMENT & SPACE RENTAL	99,024	99,024		
b PRODUCTION	85,662	85,662		
c CATERING AND BANQUETS	83,826	83,826		
d EVENT EXPENSE	47,121	47,121		
e FACILITY STUDY	26,959		26,959	
f All other expenses	97,372	59,124	35,807	2,441
25 Total functional expenses. Add lines 1 through 24f	804,072	630,554	168,956	4,562
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	77,773	1	42,608
2	Savings and temporary cash investments	183,563	2	193,859
3	Pledges and grants receivable, net	82,987	3	34,538
4	Accounts receivable, net	5,971	4	9,325
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	65,573	8	46,707
9	Prepaid expenses and deferred charges	5,234	9	5,224
10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	34,326		
b	Less accumulated depreciation	10b	27,067	7,259
11	Investments—publicly traded securities	100,156	11	251,009
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	130,968	15	143,251
16	Total assets. Add lines 1 through 15 (must equal line 34)	660,078	16	733,780
Liabilities				
17	Accounts payable and accrued expenses	882	17	12,300
18	Grants payable		18	
19	Deferred revenue		19	
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		22	
23	Secured mortgages and notes payable to unrelated third parties		23	
24	Unsecured notes and loans payable to unrelated third parties		24	
25	Other liabilities Complete Part X of Schedule D	2,914	25	6,873
26	Total liabilities. Add lines 17 through 25	3,796	26	19,173
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	563,245	27	643,126
28	Temporarily restricted net assets	93,037	28	71,481
29	Permanently restricted net assets		29	
	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	656,282	33	714,607
34	Total liabilities and net assets/fund balances	660,078	34	733,780

Form 990 (2009)

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		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

Department of the Treasury
Internal Revenue Service

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.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization

Employer identification number

62-1083757

THE BLUES FOUNDATION, INC.

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?
(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?
(ii) A family member of a person described in (i) above?
(iii) A 35% controlled entity of a person described in (i) or (ii) above?
h Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

For B

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

Schedule A (Form 990 or 990-EZ) 2009

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

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")	402,625	479,663	315,782	423,897	443,996	2,065,963
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	402,625	479,663	315,782	423,897	443,996	2,065,963
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						222,758
6 Public support. Subtract line 5 from line 4						1,843,205

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	402,625	479,663	315,782	423,897	443,996	2,065,963
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	2,399	6,299	7,068	4,862	2,671	23,299
9 Net income from unrelated business activities, whether or not the business is regularly carried on	2,677	14,971	14,805	8,491	17,425	58,369
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	12,454	16,575	17,399	19,887	34,689	101,004
11 Total support. Add lines 7 through 10						2,248,635
12 Gross receipts from related activities, etc (see instructions)					12	1,637,261
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						► <input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	81.97 %
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	79.08 %
16a 33 1/3 % support test—2009. If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization		► <input checked="" type="checkbox"/>
b 33 1/3 % support test—2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization		► <input type="checkbox"/>
17a 10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		► <input type="checkbox"/>
b 10%-facts-and-circumstances test—2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		► <input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		► <input type="checkbox"/>

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 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						
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						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
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						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

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						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
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)						
13 Total support. (Add lines 9, 10c, 11, and 12)						
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	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%
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 explanations required by Part II, line 10; Part II, line 17a or 17b, and Part III, line 12. Provide any other additional information. See instructions

PART II, LINE 10 - OTHER INCOME DETAIL

MISCELLANEOUS \$ 101,004

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**► 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.

OMB No 1545-0047

2009Open to Public
Inspection

Name of the organization

Employer identification number

THE BLUES FOUNDATION, INC.**62-1083757****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.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically important land area
 Protection of natural habitat Preservation of certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

Held at the End of the Tax Year	
2a	
2b	
2c	
2d	

a Total number of conservation easements
b Total acreage restricted by conservation easements
c Number of conservation easements on a certified historic structure included in (a)
d Number of conservation easements included in (c) acquired after 8/17/06

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► - - - - -

4 Number of states where property subject to conservation easement is located ► - - - - -

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year
► - - - - -7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year
► \$ - - - - -8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

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.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ - - - - -
(ii) Assets included in Form 990, Part X ► \$ - - - - - 198,982

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ - - - - -
b Assets included in Form 990, Part X ► \$ - - - - -

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

	Amount
1c	
1d	
1e	
1f	

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.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g 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 ► — — — %

c Term endowment ► — — — %

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

	Yes	No
3a(i)		
3a(ii)		
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.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		34,326	27,067	7,259
e Other				

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)

► 7,259

Schedule D (Form 990) 2009

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		

Part VIII Investments Program Related. See Form 990, Part X, line 13

Total. (Column (b) must equal Form 990, Part X, col (B) line 13)

Part IX Other Assets. See Form 990, Part X, line 15

(a) Description	(b) Book value
BLUES MEMORABILIA	143,251
BENEFICIAL INT - COMMUNITY FDN	

Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)

Part X Other Liabilities See Form 990 Part X line 25

3. FIN 48 Footnote. In Part XIV, provide the text of the footnote.

2. FIN 48 Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

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	861,556
2 Total expenses (Form 990, Part IX, column (A), line 25)	2	804,072
3 Excess or (deficit) for the year Subtract line 2 from line 1	3	57,484
4 Net unrealized gains (losses) on investments	4	841
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	841
10 Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	58,325

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	971,482
2 Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a Net unrealized gains on investments	2a	841
b Donated services and use of facilities	2b	42,455
c Recoveries of prior year grants	2c	
d Other (Describe in Part XIV)	2d	66,630
e Add lines 2a through 2d	2e	109,926
3 Subtract line 2e from line 1	3	861,556
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	861,556

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1 Total expenses and losses per audited financial statements	1	913,157
2 Amounts included on line 1 but not on Form 990, Part IX, line 25		
a Donated services and use of facilities	2a	42,455
b Prior year adjustments	2b	
c Other losses	2c	
d Other (Describe in Part XIV)	2d	66,630
e Add lines 2a through 2d	2e	109,085
3 Subtract line 2e from line 1	3	804,072
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	804,072

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

PART XI, LINE 8 - RECONCILIATION OF CHANGES - OTHER

EXPENSES INCLUDED ON PART VIII LINE 10B \$ 63,175

EXPENSES INCLUDED ON PART VIII LINE 7B \$ 3,455

EXPENSES INCLUDED ON PART VIII LINE 10B \$ -63,175

EXPENSES INCLUDED ON PART VIII LINE 7B \$ -3,455

PART XII, LINE 2D - REVENUE AMOUNTS INCLUDED IN FINANCIALS - OTHER

Part XIV Supplemental Information (continued)

EXPENSES INCLUDED ON PART VIII LINE 10B \$ 63,175

EXPENSES INCLUDED ON PART VIII LINE 7B \$ 3,455

PART XIII, LINE 2D - EXPENSE AMOUNTS INCLUDED IN FINANCIALS - OTHER

EXPENSES INCLUDED ON PART VIII LINE 10B \$ 63,175

EXPENSES INCLUDED ON PART VIII LINE 7B \$ 3,455

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

THE BLUES FOUNDATION, INC.

Employer identification number
62-1083757

FORM 990, PART III, LINE 4D - ALL OTHER ACHIEVEMENTS

CONGRESSIONAL BLUES FESTIVAL AND MISCELLANEOUS OTHER

FORM 990, PART VI, LINE 11A - ORGANIZATION'S PROCESS TO REVIEW FORM 990
THE 990 IS PREPARED AFTER EXTENSIVE CONVERSATION BETWEEN CLAY PURDOM, ERIC SIMONSOM, JAY SIELMAN, GLENDA MACE AND WHITEHORN TANKERSLEY & DAVIS. THE FORM IS THEN REVIEWED BY THE EXECUTIVE DIRECTOR AND THE TREASURER PRIOR TO IT BEING FILED.

FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL
THE EXECUTIVE COMMITTEE AND THE BOARD APPROVES ALL COMPENSATION, INCLUDING THAT OF THE EXECUTIVE DIRECTOR. COMPENSATION IS INCLUDED IN THE BUDGET WHICH IS APPROVED BY THE BOARD OF DIRECTORS AT BOARD MEETINGS.

FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION
THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC THROUGH THE ORGANIZATION'S OWN WEBSITE AND GUIDESTAR.

Federal Statements

Form 990, Part IX, Line 24f - All Other Expenses

Description	Total Expenses	Program Service	Management & General	Fund Raising
BANK CHARGES	\$ 17,109	\$ 14,773	\$ 17,109	\$
AWARDS	14,773			
LABOR & SERVICES	14,566			14,566
WEBSITE	8,855			
TALENT	7,750			
PRODUCTION EXP	7,103			
TAXES	5,967			
PROGRAM DESIGN	5,301			
SALES COMMISSION	5,261			
GUITARS DONATED	3,000			
SILENT AUCTION	2,381			
PUBLICITY AND MEDIA	2,006			
DUES	1,614			
MISCELLANEOUS	646			646
GRAPHIC DESIGN	450			
DONATED ALARM	280			280
DONATIONS GIVEN	210			
STAFF TRAINING	100			
TOTAL	\$ 97,372	\$ 59,124	\$ 35,807	\$ 2,441