



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

## Return of Organization Exempt From Income Tax

2010

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

Open to Public Inspection

## A For the 2010 calendar year, or tax year beginning 01-01-2010 and ending 12-31-2010

B Check if applicable	C Name of organization The Morton Arboretum		D Employer identification number 36-1505770
<input type="checkbox"/> Address change	Doing Business As		E Telephone number (630) 968-0074
<input type="checkbox"/> Name change	Number and street (or P O box if mail is not delivered to street address) 4100 Illinois Route 53		F Gross receipts \$ 65,472,861
<input type="checkbox"/> Initial return	Room/suite		
<input type="checkbox"/> Terminated	City or town, state or country, and ZIP + 4 Lisle, IL 605321293		
<input type="checkbox"/> Amended return	F Name and address of principal officer Timothy E Wolkober 4100 Illinois Route 53 Lisle, IL 605321293		G Gross receipts \$ 65,472,861
<input type="checkbox"/> Application pending			H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

I Tax-exempt status  501(c)(3)  501(c) ( ) (insert no)  4947(a)(1) or  527

J Website: ► www.mortonarb.org

K Form of organization  Corporation  Trust  Association  Other ► L Year of formation 1972 M State of legal domicile IL

## Part I Summary

1 Briefly describe the organization's mission or most significant activities Collect and study woody plants, encourage the planting and conservation of trees		
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) . . . . .	3	19
4 Number of independent voting members of the governing body (Part VI, line 1b) . . . . .	4	19
5 Total number of individuals employed in calendar year 2010 (Part V, line 2a) . . . . .	5	381
6 Total number of volunteers (estimate if necessary) . . . . .	6	1,006
7a Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .	7a	0
b Net unrelated business taxable income from Form 990-T, line 34 . . . . .	7b	0

8 Contributions and grants (Part VIII, line 1h) . . . . .	Prior Year	Current Year
9 Program service revenue (Part VIII, line 2g) . . . . .	6,162,739	6,363,867
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	3,254,334	3,426,248
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-13,930,627	6,299,155
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	3,193,970	3,739,924
	-1,319,584	19,829,194

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .	Prior Year	Current Year
14 Benefits paid to or for members (Part IX, column (A), line 4) . . . . .	0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	11,833,103	11,955,077
16a Professional fundraising fees (Part IX, column (A), line 11e) . . . . .	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ► 2,436,064		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) . . . . .	13,219,363	13,606,439
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	25,052,466	25,561,516
19 Revenue less expenses Subtract line 18 from line 12 . . . . .	-26,372,050	-5,732,322

20 Total assets (Part X, line 16) . . . . .	Beginning of Current Year	End of Year
21 Total liabilities (Part X, line 26) . . . . .	263,556,740	283,231,528
22 Net assets or fund balances Subtract line 21 from line 20 . . . . .	45,493,287	45,525,788
	218,063,453	237,705,740

## 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 Timothy E Wolkober Chief Financial Officer Type or print name and title	2011-06-27 Date
-----------	---	--------------------

Paid Preparer Use Only	Print/Type preparer's name JODY A GAUTHIER	Preparer's signature JODY A GAUTHIER	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name ► WOLF & COMPANY LLP			Firm's EIN ►	
	Firm's address ► 1901 S MEYERS RD SUITE 500 OAKBROOK TERRACE, IL 601815209			Phone no ► (630) 545-4500	

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

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response to any question in this Part III  **1 Briefly describe the organization's mission**

To collect and study woody plants from around the world, to display them for people to study and to learn how to grow them in ways that enhance our environment, to encourage the planting and conservation of trees for a greener, healthier and more beautiful world

---



---

**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 \$ 8,851,731 including grants of \$ ) (Revenue \$ )  
 Plant Collections Planted 5,001 trees and other woody plants at the Arboretum in 2010 Maintained 1,700 acres of landscapes, gardens, natural areas, and 222,490 plant specimens Completed woodland conservation management and research plan Developed interactive collections map system to improve techniques for locating plants and managing records Conducted operations involving living plant collections, plant production, natural resources, horticulture, and landscape architecture Maintained indoor and outdoor facilities and equipment to support the Arboretum overall, upgraded where necessary to improve visitor experience and sustainability

---

**4b** (Code) (Expenses \$ 2,549,949 including grants of \$ ) (Revenue \$ 746,432 )  
 Education and Information The Education and Information programs promote the value and appreciation for the planting and protection of trees and woody plants by improving natural science literacy, motivating tree conservation practice, and enabling audiences to access relevant, expert information Program areas include a 4 acre Children's Garden, Plant Clinic, and Library specializing in sharing expertise in botany and horticulture as can be grown in Northern Illinois Education and Exhibit programs enable audiences to participate in workshops and classes focused on trees, home landscape gardening, woodland stewardship, botanical art and illustration, nature photography, and ornithology Enrolled over 40,000 participants in education programs, including 36,000 youth in field trips, summer science camps, and scouting programs Exhibited Steelroots, a temporary sculpture exhibition, and Flora, Illuminated, a botanical art exhibition Lead Arbor Day "Every Tree Counts" programming in Chicago and region

---

**4c** (Code) (Expenses \$ 1,509,720 including grants of \$ ) (Revenue \$ )  
 Research Collaborated with regional municipalities to develop initiatives to advance the planting and care of urban forests, included are Chicago Trees Initiative, Chicago Metropolitan Agency for Planning, Chicago Region Tree Census and Chicago Wilderness Offered major symposium on invasive pests affecting trees Served as advocate for trees in 270 communities Furthered studies in plant health care, plant conservation biology, forest ecology, urban soil science, root biology and plant systematics Authored papers for professional publications and delivered presentations to share knowledge with industry peers and others who benefit from the information Managed labs dedicated to tree science and herbarium (collection of preserved plant specimens) for botanical research

---

**4d** Other program services (Describe in Schedule O) **See also Additional Data for Description**

(Expenses \$ 7,815,169 including grants of \$ ) (Revenue \$ 6,514,497 )

**4e** Total program service expenses \$ 20,726,569

**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 (see instruction)?

**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, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II.

**5** Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? 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** If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

**a** Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.

**b** 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.

**c** 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.

**d** Did the organization report an amount for other assets 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.

**e** Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.

**f** 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 (ASC 740)? If "Yes," complete Schedule D, Part X.

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

**b** Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then 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, Parts I and IV.

**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 U.S.? If "Yes," complete Schedule F, Parts II and IV.

**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 U.S.? If "Yes," complete Schedule F, Parts III and IV.

**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 (see instructions).

**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.

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

**b** If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)

	<b>Yes</b>	<b>No</b>
<b>1</b>	Yes	
<b>2</b>	Yes	
<b>3</b>		No
<b>4</b>		No
<b>5</b>		No
<b>6</b>		No
<b>7</b>		No
<b>8</b>	Yes	
<b>9</b>		No
<b>10</b>	Yes	
<b>11a</b>	Yes	
<b>11b</b>	Yes	
<b>11c</b>		No
<b>11d</b>		No
<b>11e</b>		No
<b>11f</b>		No
<b>12a</b>	Yes	
<b>12b</b>		No
<b>13</b>		No
<b>14a</b>		No
<b>14b</b>		No
<b>15</b>		No
<b>16</b>		No
<b>17</b>		No
<b>18</b>	Yes	
<b>19</b>		No
<b>20a</b>		No
<b>20b</b>		

**Part IV Checklist of Required Schedules (continued)**

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		No
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		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 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	Yes	
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-24d and complete Schedule K. If "No," go to line 25	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
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		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		No
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		No
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		No
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		No
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)	28a		No
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	29	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	31		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	32		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	33		No
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	34		No
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	35		No
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		No
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		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	38	Yes	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	97
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
<b>2a</b>	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	381
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	Yes
<p><b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</p>			
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	No
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	
<b>4a</b>	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	No
<b>b</b>	If "Yes," enter the name of the foreign country ► See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
<b>c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
<b>6a</b>	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	No
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>	7a	Yes
<b>a</b>	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	Yes
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	No
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year	7e	No
<b>e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	No
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g	
<b>g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7h	
<b>h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	8	
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	9a	
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>	9b	
<b>a</b>	Did the organization make any taxable distributions under section 4966?		
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter	10a	
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12	10b	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter	11a	
<b>a</b>	Gross income from members or shareholders	11b	
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12a	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>	13a	
<b>a</b>	Is the organization licensed to issue qualified health plans in more than one state?		
<p><b>Note.</b> See the instructions for additional information the organization must report on Schedule O</p>			
<b>b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
<b>c</b>	Enter the amount of reserves on hand	13c	
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
<b>b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

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

Check if Schedule O contains a response to any question in this Part VI

### Section A. Governing Body and Management

1a Enter the number of voting members of the governing body at the end of the tax year . . . . .

1b Enter the number of voting members included in line 1a, above, who are independent . . . . .

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? . . . . .

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? . . . . .

4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .

5 Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .

6 Does the organization have members or stockholders? . . . . .

7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .

b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .

8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following

a The governing body? . . . . .

b Each committee with authority to act on behalf of the governing body? . . . . .

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 . . . . .

	Yes	No
1a		19
1b		19
2		No
3		No
4		No
5		No
6		No
7a		No
7b		No
8a	Yes	
8b	Yes	
9		No

### 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? . . . . .

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? . . . . .

11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? . . . . .

b 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? . . . . .

14 Does the organization have a written document retention and destruction policy? . . . . .

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

### Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed  IL

18 Section 6104 requires an organization to make its Form 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. See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

Timothy E Wolkober  
4100 Illinois Rte 53  
Lisle, IL 605321293  
(630) 719-2405



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

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 **10**

	Yes	No
3 Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
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? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

## **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
Kelly Scott & Madison Inc 35 East Wacker Drive Chicago, IL 60601	Advertising	548,650
Aramark Corporation 1101 Market St Philadelphia, PA 19107	Food Service Management	394,187
Buck Services 256 W Roosevelt Rd West Chicago, IL 60185	Janitorial	226,585
Hill Mechanical 11045 Gage Avenue Franklin Park, IL 60131	Facilities Maintenance	157,107
Jones Day 77 West Wacker Drive Chicago, IL 60601	Legal	143,011
2. Total number of independent contractors (including but not limited to those listed above) who received more than		

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 ►12

**Part VIII Statement of Revenue**

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>Contributions, grants and other similar amounts</b>					
<b>1a</b> Federated campaigns . . . . .	<b>1a</b>				
<b>b</b> Membership dues . . . . .	<b>1b</b>	3,159,505			
<b>c</b> Fundraising events . . . . .	<b>1c</b>	177,791			
<b>d</b> Related organizations . . . . .	<b>1d</b>				
<b>e</b> Government grants (contributions)	<b>1e</b>	617,278			
<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	2,409,293			
<b>g</b> Noncash contributions included in lines 1a-1f \$		216,110			
<b>h</b> <b>Total.</b> Add lines 1a-1f . . . . .				6,363,867	
<b>Program Service Revenue</b>					
<b>2a</b> Visitor Events		<b>Business Code</b>			
		713990	1,562,156	1,562,156	
<b>b</b> Admissions		713990	1,117,660	1,117,660	
<b>c</b> Education		713990	746,432	746,432	
<b>d</b>					
<b>e</b>					
<b>f</b> All other program service revenue					
<b>g</b> <b>Total.</b> Add lines 2a-2f . . . . .				3,426,248	
<b>3</b> Investment income (including dividends, interest and other similar amounts) . . . . .					
			7,527,140		7,527,140
<b>4</b> Income from investment of tax-exempt bond proceeds .					
<b>5</b> Royalties . . . . .					
		<b>(i) Real</b>	<b>(ii) Personal</b>		
<b>6a</b> Gross Rents		593,652			
<b>b</b> Less rental expenses					
<b>c</b> Rental income or (loss)		593,652			
<b>d</b> Net rental income or (loss)				593,652	593,652
		<b>(i) Securities</b>	<b>(ii) Other</b>		
<b>7a</b> Gross amount from sales of assets other than inventory		42,609,741			
<b>b</b> Less cost or other basis and sales expenses		43,837,726			
<b>c</b> Gain or (loss)		-1,227,985			
<b>d</b> Net gain or (loss)				-1,227,985	1,227,985
<b>8a</b> Gross income from fundraising events (not including \$ 177,791 of contributions reported on line 1c) See Part IV, line 18 . . . . .					
<b>a</b>		36,400			
<b>b</b> Less direct expenses . . . . .	<b>b</b>	131,157			
<b>c</b> Net income or (loss) from fundraising events .				-94,757	-94,757
<b>9a</b> Gross income from gaming activities See Part IV, line 19 .	<b>a</b>				
<b>b</b> Less direct expenses . . . . .	<b>b</b>				
<b>c</b> Net income or (loss) from gaming activities .					
<b>10a</b> Gross sales of inventory, less returns and allowances .					
<b>a</b>		4,915,813			
<b>b</b> Less cost of goods sold . . . . .	<b>b</b>	1,674,784			
<b>c</b> Net income or (loss) from sales of inventory .				3,241,029	3,241,029
<b>Miscellaneous Revenue</b>		<b>Business Code</b>			
<b>11a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b> All other revenue . . . . .					
<b>e</b> <b>Total.</b> Add lines 11a-11d . . . . .					
<b>12 Total revenue.</b> See Instructions . . . . .				19,829,194	0 6,204,398
				7,260,929	

**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).**

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	<b>(A) Total expenses</b>	<b>(B) Program service expenses</b>	<b>(C) Management and general expenses</b>	<b>(D) Fundraising expenses</b>
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
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 . . .	1,038,997	416,190	444,239	178,568
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	8,594,964	6,752,743	917,963	924,258
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . .	480,241	377,307	51,291	51,643
9 Other employee benefits . . .	1,133,746	890,742	121,087	121,917
10 Payroll taxes . . .	707,129	555,565	75,523	76,041
a Fees for services (non-employees) Management . . .	202,983	202,983		
b Legal . . .	29,969	2,250	27,719	
c Accounting . . .	335,355	117,065	144,466	73,824
d Lobbying . . .				
e Professional fundraising services See Part IV, line 17 . .				
f Investment management fees . . .	208,889	208,889		
g Other . . .	1,940,273	1,389,953	185,087	365,233
12 Advertising and promotion . . .	636,904	626,756	6,896	3,252
13 Office expenses . . .	3,441,010	2,738,978	228,571	473,461
14 Information technology . . .	91,721		91,721	
15 Royalties . . .				
16 Occupancy . . .	1,293,623	1,292,293	1,330	
17 Travel . . .	154,967	130,612	11,642	12,713
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . .				
19 Conferences, conventions, and meetings . . .	190,931	70,892	39,163	80,876
20 Interest . . .	429,305	429,305		
21 Payments to affiliates . . .				
22 Depreciation, depletion, and amortization . . .	2,709,734	2,693,086	10,432	6,216
23 Insurance . . .	300,356	300,356		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O )				
a CONTRACT TEMPORARY HELP	1,437,100	1,437,100	0	0
b OTHER EXPENSES	55,945	7,204	9,481	39,260
c STAFF DEVELOPMENT	55,782	25,516	13,141	17,125
d EQUIPMENT	55,638	50,680	733	4,225
e MEMBERSHIP DUES	35,954	10,104	18,398	7,452
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	25,561,516	20,726,569	2,398,883	2,436,064
26 Joint costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720) 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**

		<b>(A)</b> Beginning of year	<b>(B)</b> End of year
Assets	<b>1</b> Cash—non-interest-bearing . . . . .	63,231	<b>1</b>
	<b>2</b> Savings and temporary cash investments . . . . .	3,208,992	<b>2</b>
	<b>3</b> Pledges and grants receivable, net . . . . .	1,436,898	<b>3</b>
	<b>4</b> Accounts receivable, net . . . . .	251,194	<b>4</b>
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L . . . . .		<b>5</b>
	<b>6</b> Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L . . . . .		<b>6</b>
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>
	<b>8</b> Inventories for sale or use . . . . .	262,148	<b>8</b>
	<b>9</b> Prepaid expenses and deferred charges . . . . .	36,233	<b>9</b>
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	72,750,016	
	<b>10b</b> Less accumulated depreciation . . . . .	27,283,282	
		47,864,355	<b>10c</b>
			45,466,734
	<b>11</b> Investments—publicly traded securities . . . . .	192,070,422	<b>11</b>
	<b>12</b> Investments—other securities See Part IV, line 11 . . . . .	18,047,802	<b>12</b>
	<b>13</b> Investments—program-related See Part IV, line 11 . . . . .		<b>13</b>
	<b>14</b> Intangible assets . . . . .		<b>14</b>
	<b>15</b> Other assets See Part IV, line 11 . . . . .	315,465	<b>15</b>
	<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	263,556,740	<b>16</b>
Liabilities	<b>17</b> Accounts payable and accrued expenses . . . . .	2,964,583	<b>17</b>
	<b>18</b> Grants payable . . . . .		<b>18</b>
	<b>19</b> Deferred revenue . . . . .	528,704	<b>19</b>
	<b>20</b> Tax-exempt bond liabilities . . . . .	42,000,000	<b>20</b>
	<b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D . . . . .		<b>21</b>
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .		<b>22</b>
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>
	<b>25</b> Other liabilities Complete Part X of Schedule D . . . . .		<b>25</b>
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	45,493,287	<b>26</b>
Net Assets or Fund Balances	<b>27</b> <b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>		
	<b>27</b> Unrestricted net assets . . . . .	213,610,809	<b>27</b>
	<b>28</b> Temporarily restricted net assets . . . . .	3,492,348	<b>28</b>
	<b>29</b> Permanently restricted net assets . . . . .	960,296	<b>29</b>
	<b>30</b> <b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>		
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .		<b>31</b>
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>
	<b>33</b> Total net assets or fund balances . . . . .	218,063,453	<b>33</b>
	<b>34</b> Total liabilities and net assets/fund balances . . . . .	263,556,740	<b>34</b>
Form 990 (2010)			

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response to any question in this Part XI 

1	Total revenue (must equal Part VIII, column (A), line 12)	1	19,829,194
2	Total expenses (must equal Part IX, column (A), line 25)	2	25,561,516
3	Revenue less expenses Subtract line 2 from line 1	3	-5,732,322
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	218,063,453
5	Other changes in net assets or fund balances (explain in Schedule O)	5	25,374,609
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	237,705,740

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response to any question in this Part XII 

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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? <input type="checkbox"/>	2a	No
2b Were the organization's financial statements audited by an independent accountant? <input type="checkbox"/>	2b	Yes
2c If "Yes," to 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 <input type="checkbox"/>	2c	Yes
2d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated 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? <input type="checkbox"/>	3a	Yes
3b 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 <input type="checkbox"/>	3b	Yes

**SCHEDULE A**  
(Form 990 or 990EZ)**Public Charity Status and Public Support****2010****Open to Public  
Inspection****Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.****► Attach to Form 990 or Form 990-EZ. ► See separate instructions.**Department of the Treasury  
Internal Revenue ServiceName of the organization  
The Morton Arboretum**Employer identification number**

36-1505770

**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

e  a  Type I      b  Type II      c  Type III - Functionally integrated      d  Type III - Other

f  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)

g  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

h  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?

	<b>Yes</b>	<b>No</b>
<b>11g(i)</b>		
<b>11g(ii)</b>		
<b>11g(iii)</b>		

i Provide the following information about the supported organization(s)

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

**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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	5,185,448	5,608,406	5,436,111	6,162,739	6,363,867	28,756,571
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 <b>Total.</b> Add lines 1 through 3	5,185,448	5,608,406	5,436,111	6,162,739	6,363,867	28,756,571
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)						
6 <b>Public Support.</b> Subtract line 5 from line 4						28,756,571

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	5,185,448	5,608,406	5,436,111	6,162,739	6,363,867	28,756,571
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	7,171,107	7,982,693	7,678,255	7,524,438	8,120,792	38,477,285
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
11 <b>Total support</b> (Add lines 7 through 10)						67,233,856
12 Gross receipts from related activities, etc (See instructions )					12	35,265,361

13 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ►**Section C. Computation of Public Support Percentage**

14 Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f))	14	42 770 %
15 Public Support Percentage for 2009 Schedule A, Part II, line 14	15	42 810 %
16a <b>33 1/3% support test—2010.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization ►✓		
b <b>33 1/3% support test—2009.</b> If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization ►		
17a <b>10%-facts-and-circumstances test—2010.</b> 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 <b>stop here</b> . Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization ►		
b <b>10%-facts-and-circumstances test—2009.</b> 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 <b>stop here</b> . Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization ►		
18 <b>Private Foundation</b> If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ►		

**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 or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</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						
<b>c</b> Add lines 7a and 7b						
<b>8 Public Support</b> (Subtract line 7c from line 6 )						

**Section B. Total Support**

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
<b>13 Total support</b> (Add lines 9, 10c, 11 and 12 )						
<b>14 First Five Years</b> 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 <b>stop here</b> ►						

**Section C. Computation of Public Support Percentage**

15 Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	15
16 Public support percentage from 2009 Schedule A, Part III, line 15	16

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18
<b>19a 33 1/3% support tests—2010.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization ►	
<b>b 33 1/3% support tests—2009.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization ►	
<b>20 Private Foundation</b> If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ►	

**Part IV** **Supplemental Information.** 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. Also complete this part for any additional information. (See instructions).

### **Facts And Circumstances Test**

2010

Open to Public  
Inspection**SCHEDULE D**  
(Form 990)**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.

Department of the Treasury  
Internal Revenue Service**Name of the organization**

The Morton Arboretum

**Employer identification number**

36-1505770

**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  No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may 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 importantly land area

Protection of natural habitat  Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a-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 Year
2a	
2b	
2c	
2d	

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  No

6 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 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 ► \$ \_\_\_\_\_

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 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      d  Loan or exchange programs  
 b  Scholarly research      e  Other Classroom Education  
 c  Preservation for future generations

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 the 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 . . . . .	8,843,016	6,502,087	8,965,785		
b Contributions . . . . .	245,000	740,000	1,163,023		
c Investment earnings or losses . . . . .	1,266,407	1,716,604	-2,062,683		
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .	141,910	115,675	1,564,038		
f Administrative expenses . . . . .					
g End of year balance . . . . .	10,212,513	8,843,016	6,502,087		

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

a Board designated or quasi-endowment ► 74 140 %

b Permanent endowment ► 10 150 %

c Term endowment ► 15 700 %

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) unrelated organizations . . . . .		No
3a(ii) related organizations . . . . .		No

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 . . . . .		1,266,234			1,266,234
b Buildings . . . . .		32,120,481	10,610,523		21,509,958
c Leasehold improvements . . . . .					
d Equipment . . . . .		7,483,513	5,018,461		2,465,052
e Other . . . . .		31,879,788	11,654,298		20,225,490
<b>Total.</b> Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . .					45,466,734

**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
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) Real Estate Guggenheim Plus	2,304,249	F
(B) Priv Eq - Madison Dearborn	2,255,443	F
(C) Hedge Fund - Evanston-Weatherlow	23,264,975	F
(D) Priv Eq - Adam Street Partners	1,003,847	F
(E) Priv Eq - Bear Stearns	124,009	F

**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	19,829,194
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	25,561,516
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-5,732,322
4	Net unrealized gains (losses) on investments	4	25,374,609
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 - 8	9	25,374,609
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	19,642,287

**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	46,800,855
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	25,374,609
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	-208,889
e	Add lines 2a through 2d	2e	25,165,720
3	Subtract line 2e from line 1	3	21,635,135
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	-1,805,941
c	Add lines 4a and 4b	4c	-1,805,941
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 )	5	19,829,194

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

1	Total expenses and losses per audited financial statements	1	27,158,568
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	1,805,941
e	Add lines 2a through 2d	2e	1,805,941
3	Subtract line 2e from line 1	3	25,352,627
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	208,889
c	Add lines 4a and 4b	4c	208,889
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18 )	5	25,561,516

**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, 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

Identifier	Return Reference	Explanation
		Part III, Line 1A Capitalization Policy Arboretum Collections - The Arboretum's rare books and print collections are not capitalized in the accompanying audited financial statements Living woody plants are also not capitalized unless they are a major part of a capital project Purchases of collection items that are not capitalized are recorded as decreases in unrestricted net assets
		Part III, Line 4 Description of Collections and Furtherance of Exempt Purpose Living Collection - Woody plants in categories of taxonomic, geographic, special habitat, horticultural, rare/endangered 222,490 specimens represent 4,277 different kinds of trees, shrubs and other plants from 40 countries in the northern temperate zone Displayed across 1700 acres of natural landscapes Provided for botanical, horticultural, and artistic study (education and research purposes) and enjoyment (cultural purpose) Herbarium Collection Dried woody plant specimens totaling 187,000 Housed in research lab Supports study of origin and evolution of plant species (scientific research purpose) Library Collection - 28,000 books and 110 periodicals on botany, horticulture, landscape design, natural history, ecology, corresponding rare documents, and other printed materials, 12,000 botanical artworks and 3,400 landscape drawings Available for botanical, horticultural, and artistic study of plants (educational, research, and cultural purposes)
		Part V, Line 4 Intended Use of Endowment Funds The term endowments are spent per the donor's directions The permanent endowment is maintained in perpetuity to support the mission and operations of the Arboretum The board designated endowments are applied to purposes defined by the board in support of the mission and operations of the Arboretum
		Part XII, Line 2D Reconciliation \$208,889 of investment management fees netted against investment income on the audited financial statements
		Part XII, Line 4B Reconciliation Cost of Sales of \$1,674,784 and \$131,157 of fundraising expenses are included in expenses on the audited financial statements
		Part XIII, Line 2D Reconciliation Cost of sales of \$1,674,784 and \$131,157 of fundraising expenses are included in expenses on the audited financial statements
		Part XIII, Line 4B Reconciliation Investment management fees of \$208,889 netted against investment income on the audited financial statements

**SCHEDULE G**  
**(Form 990 or 990-EZ)**

## **Supplemental Information Regarding Fundraising or Gaming Activities**

OMB No 1545-0047

2010

**Open to Public  
Inspection**

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

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

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

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

► **Attach to Form 990 or Form 990-EZ. ► See separate instructions.**

Department of the Treasury  
Internal Revenue Service

**Employer identification number**

36-1505770

**Part I Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

**1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a**  Mail solicitations
- b**  Internet and e-mail solicitations
- c**  Phone solicitations
- d**  In-person solicitations
- e**  Solicitation of non-government grants
- f**  Solicitation of government grants
- g**  Special fundraising events

**2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

Yes  No

**b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

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

	(a) Event #1 <u>Dinner Party</u> (event type)	(b) Event #2 (event type)	(c) Other Events (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1 Gross receipts . . .	214,191		214,191
	2 Less Charitable contributions . . .	177,791		177,791
	3 Gross income (line 1 minus line 2) . . .	36,400		36,400
Direct Expenses	4 Cash prizes . . .			
	5 Non-cash prizes . . .			
	6 Rent/facility costs . . .	74,464		74,464
	7 Food and beverages . . .	43,456		43,456
	8 Entertainment . . .	1,350		1,350
	9 Other direct expenses . . .	11,887		11,887
	10 Direct expense summary Add lines 4 through 9 in column (d) . . . . .			131,157
	11 Net income summary Combine lines 3 and 10 in column (d) . . . . .			-94,757

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

	(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1 Gross revenue . . . . .			
Direct Expenses	2 Cash prizes . . . . .			
	3 Non-cash prizes . . . . .			
	4 Rent/facility costs . . . . .			
	5 Other direct expenses . . . . .			
	6 Volunteer labor . . . . .	<input type="checkbox"/> Yes % <input type="checkbox"/> No	<input type="checkbox"/> Yes % <input type="checkbox"/> No	<input type="checkbox"/> Yes % <input type="checkbox"/> No
	7 Direct expense summary Add lines 2 through 5 in column (d) . . . . .			
	8 Net gaming income summary Combine lines 1 and 7 in column (d) . . . . .			

9 Enter the state(s) in which the organization operates gaming activities \_\_\_\_\_

a Is the organization licensed to operate gaming activities in each of these states? . . . . .  Yes  No  
b If "No," Explain \_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? . . . . .  Yes  No  
b If "Yes," Explain \_\_\_\_\_

**11** Does the organization operate gaming activities with nonmembers? . . . . .  Yes  No

**12** Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . .  Yes  No

**13** Indicate the percentage of gaming activity operated in

<b>13a</b>	
<b>13b</b>	

**a** The organization's facility . . . . .

**b** An outside facility . . . . .

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

Name ►

Address ►

**15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . .  Yes  No

**b** If "Yes," enter the amount of gaming revenue received by the organization ► \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ► \$ \_\_\_\_\_

**c** If "Yes," enter name and address

Name ►

Address ►

**16** Gaming manager information

Name ►

Gaming manager compensation ► \$

Description of services provided ►

 Director/officer Employee Independent contractor**17** Mandatory distributions

**a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . .  Yes  No

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

**Part IV** Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier

ReturnReference

Explanation

**Schedule J**  
(Form 990)**Compensation Information**

OMB No 1545-0047

**2010**Department of the Treasury  
Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
**► Complete if the organization answered "Yes" to Form 990, Part IV, question 23.**  
**► Attach to Form 990. ► See separate instructions.**

**Open to Public Inspection****Name of the organization**

The Morton Arboretum

**Employer identification number**

36-1505770

**Part I Questions Regarding Compensation**

Yes No

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

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

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

**1b** Yes

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

**2** Yes

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

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

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

**4a** Yes

**a** Receive a severance payment or change-of-control payment from the organization or a related organization?

**4b** Yes

**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?

**4c** No

**c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

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

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

**5a** No

**a** The organization?

**5b** No

If "Yes," to line 5a or 5b, describe in Part III

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

**6a** No

**a** The organization?

**6b** No

If "Yes," to line 6a or 6b, describe in Part III

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

**7** No

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

**8** No

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

**9**

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Gerard T Donnelly PhD	(i) 289,839 (ii) 0	0 0	0 0	14,700 0	11,576 0	316,115 0	0 0
(2) Timothy E Wolkober CPA	(i) 144,213 (ii) 0	0 0	0 0	8,866 0	8,046 0	161,125 0	0 0
(3) Jill Koski	(i) 165,385 (ii) 0	0 0	0 0	10,702 0	11,576 0	187,663 0	0 0
( 4 )							
( 5 )							
( 6 )							
( 7 )							
( 8 )							
( 9 )							
( 10 )							
( 11 )							
( 12 )							
( 13 )							
( 14 )							
( 15 )							
( 16 )							

**Part III Supplemental Information**

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	A residence is provided for the President and CEO of the Arboretum, currently Gerard T. Donnelly, as a condition of employment and for the convenience of the Arboretum. The value of this residence is not treated as taxable compensation. Landscaping services are also provided for all Arboretum properties, including the President's residence.
Supplemental Information	Part III	Part I, Line 4a Severance Payment Penn French, V P Marketing received a severance payment of \$75,524 in connection with the termination of his employment. Part I, line 4b The following individuals participated in a section 457(b) Supplemental Non-Qualified Retirement Plan. The individuals are listed with the respective amounts of their deferrals Gerard Donnelly - \$16,500 Penn French - \$3,333 Timothy Wolkober - \$22,166 Donna Biernadski - \$2,885

Schedule K  
(Form 990)

OMB No 1545-0047

## Supplemental Information on Tax Exempt Bonds

2010

► Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).

► Attach to Form 990. ► See separate instructions.

Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue ServiceName of the organization  
The Morton Arboretum

Employer identification number

36-1505770

## Part I Bond Issues

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A The County of Dupage Illinois	36-6006551	262668AC0	12-17-2003	42,000,000	See Schedule O		X		X		X

## Part II Proceeds

1	Amount of bonds retired	A		B		C		D			
		Yes	No	Yes	No	Yes	No	Yes	No		
2	Amount of bonds legally defeased										
3	Total proceeds of issue		42,155,070								
4	Gross proceeds in reserve funds										
5	Capitalized interest from proceeds										
6	Proceeds in refunding escrow										
7	Issuance costs from proceeds		326,250								
8	Credit enhancement from proceeds										
9	Working capital expenditures from proceeds		1,482,400								
10	Capital expenditures from proceeds		40,346,420								
11	Other spent proceeds										
12	Other unspent proceeds										
13	Year of substantial completion	2005		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X								
15	Were the bonds issued as part of an advance refunding issue?		X								
16	Has the final allocation of proceeds been made?	X									
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X									

## Part III Private Business Use

1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?	A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
			X						
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X						

**Part III Private Business Use (Continued)**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
		X						
<b>3a</b> Are there any management or service contracts that may result in private business use?								
<b>b</b> Are there any research agreements that may result in private business use of bond-financed property?		X						
<b>c</b> Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X							
<b>4</b> Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ►								
<b>5</b> Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ►								
<b>6</b> Total of lines 4 and 5								
<b>7</b> Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X							

**Part IV Arbitrage**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
		X						
<b>1</b> Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?								
<b>2</b> Is the bond issue a variable rate issue?	X							
<b>3a</b> Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X						
<b>b</b> Name of provider								
<b>c</b> Term of hedge								
<b>d</b> Was the hedge superintegrated?								
<b>e</b> Was a hedge terminated?								
<b>4a</b> Were gross proceeds invested in a GIC?	X							
<b>b</b> Name of provider	CITIGROUP GLOBAL MARKETS							
<b>c</b> Term of GIC	1 500000000000							
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X							
<b>5</b> Were any gross proceeds invested beyond an available temporary period?		X						
<b>6</b> Did the bond issue qualify for an exception to rebate?		X						

**Part V Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule K (see instructions)

Identifier	Return Reference	Explanation

## Schedule L

## **Transactions with Interested Persons**

► Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38a or 40b.

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

OMB No 1545-0047

2010

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

**Name of the organization**

## The Morton Arboretum

**Employer identification number**

36-1505770

**Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).**

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected:	
			Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ➤ \$ \_\_\_\_\_  
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ➤ \$ \_\_\_\_\_

**Part II      Loans to and/or From Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

### **Part III Grants or Assistance Benefitting Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) James Dickerson	Bank of America Director	422,845	Int Exp		No
(2) Darrell Jackson	Northern Trust Exec	119,088	Inv Mgmt		No
(3) William Ritchie	Partner Jones Day	143,011	Legal		No

**Part V Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation

SCHEDULE M  
(Form 990)

## NonCash Contributions

OMB No 1545-0047

2010

Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue Service►Complete if the organization answered "Yes" on Form  
990, Part IV, lines 29 or 30.  
► Attach to Form 990.Name of the organization  
The Morton Arboretum

Employer identification number

36-1505770

## Part I Types of Property

	(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining oncash contribution amounts
1 Art—Works of art . . . . .				
2 Art—Historical treasures . . . . .				
3 Art—Fractional interests . . . . .				
4 Books and publications . . . . .				
5 Clothing and household goods . . . . .				
6 Cars and other vehicles . . . . .				
7 Boats and planes . . . . .				
8 Intellectual property . . . . .				
9 Securities—Publicly traded . . . . .	X	16	184,610	Fair Market Value
10 Securities—Closely held stock . . . . .				
11 Securities—Partnership, LLC, or trust interests . . . . .				
12 Securities—Miscellaneous . . . . .				
13 Qualified conservation contribution—Historic structures . . . . .				
14 Qualified conservation contribution—Other . . . . .				
15 Real estate—Residential . . . . .				
16 Real estate—Commercial . . . . .				
17 Real estate—Other . . . . .				
18 Collectibles . . . . .				
19 Food inventory . . . . .				
20 Drugs and medical supplies . . . . .				
21 Taxidermy . . . . .				
22 Historical artifacts . . . . .				
23 Scientific specimens . . . . .				
24 Archeological artifacts . . . . .				
Restroom				
25 Other ► ( Services ) . . . . .	X	1	3,500	Fair Market Value
Landscape				
26 Other ► ( Matl ) . . . . .	X	1	28,000	Fair Market Value
27 Other ► ( ) . . . . .				
28 Other ► ( ) . . . . .				
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . .		29		

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

**Part II**

**Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
------------	------------------	-------------

**SCHEDULE O**  
(Form 990 or 990-EZ)Department of the Treasury  
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or to provide any additional information.  
► Attach to Form 990 or 990-EZ.

**2010****Open to Public  
Inspection****Name of the organization**

The Morton Arboretum

**Employer identification number**

36-1505770

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 11		Form 990 is prepared by the Arboretum's accountants, reviewed by the Audit Committee and distributed to the Board of Trustees prior to filing

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 12c	<p>The Morton Arboretum requires that all trustees, employees, and volunteers disclose and declare any personal, familial, or business relationships, situations, or activities that have the potential to create a conflict of interest or the perception of a conflict of interest. For trustees and employees, the declaration must be renewed annually or when applicable changes in status occur. The Arboretum supplies a Conflict of Interest Declaration form to all trustees and employees for this purpose. Volunteers are informed of this policy at the onset of their service, in the published volunteer handbook, and in periodic communications. For all trustees, employees, and volunteers, relationships or situations that arise that may create or appear to create a conflict of interest must be brought to the attention of the President or the Chairman of the Board of Trustees.</p>

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 15	The process for determining compensation of officers and key employees includes a market analysis of comparable positions from peer gardens and other similar organizations for benchmarking purposes. This information is reviewed by internal Human Resources professionals and the compensation committee of the Board of Trustees. The full Board reviews and approves recommendations of compensation matters for the President and CEO. The compensation of other officers and key employees is approved by the compensation committee of the Board.

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section C, line 19	Financial statements are available to the public on our website ( <a href="http://www.mortonarb.org">www.mortonarb.org</a> ) and in our Annual Report. Governing documents and Conflict of Interest Policy are available upon request.

Identifier	Return Reference	Explanation
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 5	Net unrealized gains on investments 25,374,609

Identifier	Return Reference	Explanation
	Form 990, Part XII, line 2c	This process has not changed from the prior year

Identifier	Return Reference	Explanation
	SCHEDULE K PART I LINE A COLUMN F	The proceeds of the bonds were used for the costs of certain capital improvements to the facilities of the borrower located in Lisle, Illinois, including (a) the construction of a Visitor Center and Tram Road, (b) visitor facilities and a Prairie Visitor Station, (c) the expansion and improvement of the main entrance to The Morton Arboretum, (d) the restoration of the riverbank, (e) the construction of parking lots and support facilities, (f) the construction of a children's garden, maze garden, Arbor Court and Meadow Lake courtyard facilities and (g) landscaping, stormwater facility and related improvements, (ii) pay a portion of the interest to accrue on the bonds and (iii) pay a portion of certain expenses incurred in connection with the issuance of the bonds

Identifier	Return Reference	Explanation
	SCHEDULE K PART IV LINE 1	No, there was no arbitrage rebate or penalty due. The net rebate liability was negative

## Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 36-1505770  
**Name:** The Morton Arboretum

### Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee			
W Robert Reum Trustee Chairman	8 00	X					0	0	0
James F Dickerson Trustee Vice Chairman	8 00	X					0	0	0
William P Ritchie Trustee Secretary	8 00	X					0	0	0
Walter W Becky II Trustee Treasurer	8 00	X					0	0	0
Stephen W Baird Trustee	8 00	X					0	0	0
Anna Caroline Ball Trustee	8 00	X					0	0	0
Christopher Burke Trustee	8 00	X					0	0	0
James A Crouthamel Trustee	8 00	X					0	0	0
Stephen C Gieser Trustee	8 00	X					0	0	0
Thomas E Gleitsman Trustee	8 00	X					0	0	0
Ann Grube Trustee	8 00	X					0	0	0
Charles C Haffner III Trustee	8 00	X					0	0	0
Darrell B Jackson Trustee	8 00	X					0	0	0
Kenneth Koranda Trustee	8 00	X					0	0	0
Timothy M Murray Trustee	8 00	X					0	0	0
Fredrick Paulman Trustee	8 00	X					0	0	0
Henry B Pearsall Trustee	8 00	X					0	0	0
Lee S Selander Trustee	8 00	X					0	0	0
Catherine Slark Trustee	8 00	X					0	0	0
Gerard T Donnelly PhD President and CEO	40 00		X				289,839	0	26,276
Timothy E Wolkober CPA VP of Finance and CFO	40 00		X				144,213	0	16,912
Kris Bachtell VP of Collections & Fac	40 00		X				125,863	0	19,586
Penn French Former VP of Marketing	40 00		X				107,270	0	3,808
Jill Koski VP of Development	40 00		X				165,385	0	22,278
Susan Wagner VP of Edu & Info	40 00		X				138,883	0	1,938

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)				(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Office	Highest compensated employee			
Donna Biernadski VP of Marketing	40 00			X		32,118	0	3,570
Grant Gilbert Director of Major Gifts	40 00				X	116,901	0	18,956
Kelly Vantine Major Gifts Officer	40 00				X	106,459	0	11,249
Richard Hootman Director of Visitor Services	40 00				X	101,491	0	10,003
Gary Watson Head of Research	40 00				X	100,342	0	17,218

**Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)****4d. Other program services**

(Code	(Expenses \$	7,815,169	including grants of \$	) (Revenue \$	6,514,497 )
-------	--------------	-----------	------------------------	---------------	-------------

Visitor Programs Welcomed visitors every day of the year Set new attendance record in 2010 with 831,400 visitors, positioning the Arboretum as one of the most visited public gardens in North America Served membership of 35,000 households Hosted various special events and seasonal activities as opportunities for visitors and members to engage in mission Provided opportunities to introduce patrons to mission and programs and accommodate their needs through visitor center, store, restaurant, group tours, and banquet and conference facilities