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**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation****2010**

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

For calendar year 2010, or tax year beginning , **2010, and ending** ,

G Check all that apply. ☐ Initial return ☐ Initial Return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

HERBERT N GUNDERSHEIMER FOUNDATION, INC.
 201 NORTH CHARLES STREET #2400
 BALTIMORE, MD 21201

A Employer identification number

52-2070429

B Telephone number (see the instructions)

410.752.6000

C If exemption application is pending, check here ☐**D 1** Foreign organizations, check here ☐**2** Foreign organizations meeting the 85% test, check here and attach computation ☐**E** If private foundation status was terminated under section 507(b)(1)(A), check here ☐**F** If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐**H** Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation**I** Fair market value of all assets at end of year (from Part II, column (c), line 16)
J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _____

▶ \$ 3,096,950.

(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

REVENUE

1 Contributions, gifts, grants, etc., received (att sch)**2** Ck ☒ if the foundn is not req to att Sch B**3** Interest on savings and temporary cash investments.

91.

91.

N/A

4 Dividends and interest from securities

51,883.

51,883.

5a Gross rents**b** Net rental income or (loss)**6a** Net gain/(loss) from sale of assets not on line 10

134,157.

b Gross sales price for all assets on line 6a 581,941.**7** Capital gain net income (from Part IV, line 2)

134,157.

8 Net short-term capital gain**9** Income modifications**10a** Gross sales less returns and allowances**b** Less Cost of goods sold**c** Gross profit/(loss) (att sch)**11** Other income (attach schedule)

SEE STATEMENT 1

43.

43.

12 Total. Add lines 1 through 11

186,174.

186,174.

13 Compensation of officers, directors, trustees, etc

0.

14 Other employee salaries and wages**15** Pension plans, employee benefits . .**16a** Legal fees (attach schedule) . SEE ST. 2

19,000.

12,667.

6,333.

b Accounting fees (attach sch) SEE ST 3

2,500.

2,500.

c Other prof fees (attach sch) . SEE ST 4

25,162.

25,162.

17 Interest**18** Taxes (attach schedule)(see instr) SEE STM 5

337.

337.

19 Depreciation (attach sch) and depletion**20** Occupancy**21** Travel, conferences, and meetings**22** Printing and publications**23** Other expenses (attach schedule)

SEE STATEMENT 6

158.

158.

24 Total operating and administrative expenses. Add lines 13 through 23

47,157.

40,666.

6,491.

25 Contributions, gifts, grants paid PART XV

110,700.

110,700.

26 Total expenses and disbursements. Add lines 24 and 25

157,857.

40,666.

117,191.

27 Subtract line 26 from line 12:**a Excess of revenue over expenses and disbursements**

28,317.

b Net investment income (if negative, enter -0-)

145,508.

c Adjusted net income (if negative, enter -0-)

G14

SCANNED MAY 26 2011

ADMINISTRATIVE
OPERATING AND
EXPENSES

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1	Cash — non-interest-bearing				
	2	Savings and temporary cash investments	68,537.	41,626.	41,626.	
	3	Accounts receivable				
		Less: allowance for doubtful accounts				
	4	Pledges receivable				
		Less: allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions).				
	7	Other notes and loans receivable (attach sch)				
		Less: allowance for doubtful accounts				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments — U.S. and state government obligations (attach schedule)				
	b	Investments — corporate stock (attach schedule)	2,066,147.	2,131,375.	3,055,324.	
	c	Investments — corporate bonds (attach schedule)				
	LIABILITIES	11	Investments — land, buildings, and equipment: basis			
		Less: accumulated depreciation (attach schedule)				
12		Investments — mortgage loans				
13		Investments — other (attach schedule)				
14		Land, buildings, and equipment: basis				
		Less: accumulated depreciation (attach schedule)				
15		Other assets (describe)				
16		Total assets (to be completed by all filers—see instructions. Also, see page 1, item I)	2,134,684.	2,173,001.	3,096,950.	
17		Accounts payable and accrued expenses				
18		Grants payable				
19	Deferred revenue					
20	Loans from officers, directors, trustees, & other disqualified persons					
21	Mortgages and other notes payable (attach schedule)					
22	Other liabilities (describe)					
23	Total liabilities (add lines 17 through 22)	0.	0.			
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.			<input checked="" type="checkbox"/>		
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, building, and equipment fund	1,374,895.	1,374,895.		
	29	Retained earnings, accumulated income, endowment, or other funds	759,789.	798,106.		
	30	Total net assets or fund balances (see the instructions)	2,134,684.	2,173,001.		
	31	Total liabilities and net assets/fund balances (see the instructions)	2,134,684.	2,173,001.		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year— Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	2,134,684.
2	Enter amount from Part I, line 27a	2	28,317.
3	Other increases not included in line 2 (itemize) SEE STATEMENT 7	3	10,000.
4	Add lines 1, 2, and 3	4	2,173,001.
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) Part II, column (b), line 30	6	2,173,001.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a SEE STATEMENT 8				
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

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

2 Capital gain net income or (net capital loss).	— [If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7]	2	134,157.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see the instructions). If (loss), enter -0- in Part I, line 8	— []	3	121,134.

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☒ No

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

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries			
(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2009	48,491.	2,177,972.	0.022264
2008	51,636.	906,646.	0.056953
2007	46,307.	1,068,427.	0.043341
2006	41,709.	973,725.	0.042834
2005	33,138.	889,250.	0.037265

2 Total of line 1, column (d)	2	0.202657
3 Average distribution ratio for the 5-year base period— divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.040531
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	2,804,470.
5 Multiply line 4 by line 3	5	113,668.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,455.
7 Add lines 5 and 6	7	115,123.
8 Enter qualifying distributions from Part XII, line 4	8	117,191.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary- see instr.)		
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	1,455.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b).		
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3 Add lines 1 and 2	3	1,455.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5 Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-	5	1,455.
6 Credits/Payments		
a 2010 estimated tax prmts and 2009 overpayment credited to 2010	6a	
b Exempt foreign organizations- tax withheld at source	6b	
c Tax paid with application for extension of time to file (Form 8868)	6c	
d Backup withholding erroneously withheld	6d	
7 Total credits and payments. Add lines 6a through 6d	7	0.
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	4.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	1,459.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		X
If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If 'Yes,' attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If 'Yes,' attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return or Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XIV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) MD		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If 'No,' attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If 'Yes,' complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses.		X

Part VII-A Statements Regarding Activities (Continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>H. DEAN BOULAND</u> Telephone no <u>410.752.6000</u> Located at <u>201 N. CHARLES STREET, #2400 BALTIMORE MD</u> ZIP + 4 <u>21201</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year <u>N/A</u>	15		N/A
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country <u></u>	16	Yes	No
				X

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

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If 'Yes,' list the years <u>20__ , 20__ , 20__ , 20__</u> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement- see the instructions.)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied any of the years listed in 2a, list the years here. <u>20__ , 20__ , 20__ , 20__</u>		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If 'Yes,' did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? <i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.</i>	3b	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

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Form 990-PF (2010)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b N/A

Organizations relying on a current notice regarding disaster assistance check here

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

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

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

6b X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
H. DEAN BOULAND 201 NORTH CHARLES ST #2400 BALTIMORE, MD 21201	PRESIDENT 2.00	0.	0.	0.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

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

0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 NO DIRECT CHARITABLE ACTIVITIES ARE CONDUCTED.	
2	
3	
4	

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

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

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Form 990-PF (2010)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	2,799,543.
b	Average of monthly cash balances	1b	47,635.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	2,847,178.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	2,847,178.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	42,708.
5	Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,804,470.
6	Minimum investment return Enter 5% of line 5	6	140,224.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	140,224.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	1,455.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,455.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	138,769.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	138,769.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	138,769.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.— total from Part I, column (d), line 26	1a	117,191.
b	Program-related investments— total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	117,191.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	1,455.
6	Adjusted qualifying distributions Subtract line 5 from line 4	6	115,736.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

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Form 990-PF (2010)

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7 ..				138,769.
2 Undistributed income, if any, as of the end of 2010:				
a Enter amount for 2009 only ..			105,127.	
b Total for prior years: 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005 ..				
b From 2006 ..				
c From 2007 ..				
d From 2008 ..				
e From 2009 ..				
f Total of lines 3a through e ..	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ <u>117,191.</u>				
a Applied to 2009, but not more than line 2a			105,127.	
b Applied to undistributed income of prior years (Election required— see instructions)		0.		
c Treated as distributions out of corpus (Election required— see instructions)	0.			
d Applied to 2010 distributable amount				12,064.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 . (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount — see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount — see instructions			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				126,705.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) ..	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

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

N/A

- | | | | | | |
|--|----------|---------------|----------|----------|-----------|
| 1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling | | | | | |
| b Check box to indicate whether the foundation is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5) | | | | | |
| 2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . | Tax year | Prior 3 years | | | (e) Total |
| | (a) 2010 | (b) 2009 | (c) 2008 | (d) 2007 | |
| b 85% of line 2a | | | | | |
| c Qualifying distributions from Part XII, line 4 for each year listed | | | | | |
| d Amounts included in line 2c not used directly for active conduct of exempt activities | | | | | |
| e Qualifying distributions made directly for active conduct of exempt activities
Subtract line 2d from line 2c | | | | | |
| 3 Complete 3a, b, or c for the alternative test relied upon | | | | | |
| a 'Assets' alternative test— enter: | | | | | |
| (1) Value of all assets | | | | | |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i). | | | | | |
| b 'Endowment' alternative test — enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed | | | | | |
| c 'Support' alternative test — enter: | | | | | |
| (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) | | | | | |
| (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) | | | | | |
| (3) Largest amount of support from an exempt organization | | | | | |
| (4) Gross investment income | | | | | |

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

1 Information Regarding Foundation Managers:

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

H. DEAN BOULAND

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

NONE

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

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

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

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

- c Any submission deadlines**

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year SEE STATEMENT 9				
Total			3a	110,700.
b Approved for future payment				
Total			3b	

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

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

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

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

b If 'Yes,' complete the following schedule

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

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

**Sign
Here**

Signature of officer or trustee

Date _____

PRESIDENT
Title

Title

**Paid
Preparer
Use Only**

Print/Type preparer's name

NICK RESURRECCION, CPA

Prepared by signature

	Date
--	------

Check if ☐ if self-employed

Firm's name

BOULAND & BRUSH, LLC

Firm's address

201 N CHARLES ST SUITE 2400
BALTIMORE, MD 21201-4102

BALTIMORE, MD 21201-4102

Firm's EIN ▶ N/A

Phone no 410.752.6000

BAA

Form 990-PF (2010)

2010

FEDERAL STATEMENTS

PAGE 1

HERBERT N GUNDERSHEIMER FOUNDATION, INC.

52-2070429

5/10/11

03:44PM

STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
ADD'L INVESTMENT INCOME	\$ 2,394.	\$ 2,394.	
OTHER INVESTMT INC/(LOSS)	\$ -2,351.	\$ -2,351.	
TOTAL	\$ 43.	\$ 43.	0.

STATEMENT 2
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BOULAND AND BRUSH LLC	\$ 19,000.	\$ 12,667.		\$ 6,333.
TOTAL	\$ 19,000.	\$ 12,667.		\$ 6,333.

STATEMENT 3
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BOULAND AND BRUSH LLC - TAX PREPARATION	\$ 2,500.	\$ 2,500.		
TOTAL	\$ 2,500.	\$ 2,500.		\$ 0.

STATEMENT 4
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BALTIMORE WASHINGTON FINANCIAL ADVISORS	\$ 25,162.	\$ 25,162.		
TOTAL	\$ 25,162.	\$ 25,162.		\$ 0.

HERBERT N GUNDERSHEIMER FOUNDATION, INC.

52-2070429

5/16/11

03 05PM

STATEMENT 5
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	\$ 142.	\$ 142.		
FOREIGN TAXES PAID THRU TD AMERITRADE	192.	192.		
FORGN TAXES PD-PLAINS ALL AMERICAN K-1	3.	3.		
TOTAL	\$ 337.	\$ 337.		\$ 0.

STATEMENT 6
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
THE DAILY RECORD - PUBLICATION OF NOTICE	\$ 158.			\$ 158.
TOTAL	\$ 158.	\$ 0.		\$ 158.

STATEMENT 7
FORM 990-PF, PART III, LINE 3
OTHER INCREASES

PRIOR PERIOD - TIMING ADJUSTMENT			\$ 10,000.
TOTAL			\$ 10,000.

STATEMENT 8
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	825 SH. AIRGAS INC COM	PURCHASED	VARIOUS	2/11/2010
2	1525 SH. BANK OF NEW YORK	PURCHASED	VARIOUS	1/19/2010
3	675 SH. CUMMINS INC.	PURCHASED	4/24/2009	2/25/2010
4	2300 SH. EXPEDIA INC.	PURCHASED	VARIOUS	1/06/2010
5	205 SH. GENERAL DYNAMICS	PURCHASED	3/02/2009	1/21/2009
6	2000 SH. HAIN CELESTIAL GROUP INC	PURCHASED	1/01/2010	1/14/2010
7	300 SH. ISHARES 1-3 YR CREDIT ETF	PURCHASED	10/02/2009	6/29/2010
8	875 SH. MEDTRONIC INC	PURCHASED	VARIOUS	2/11/2009
9	450 SH. SHERWIN WILLIAMS CO	PURCHASED	1/29/2010	5/14/2010
10	375 SH. AIRGAS INC COM	PURCHASED	12/10/2008	2/10/2011
11	1750 SH. ALLEGHENY POWER SYS	PURCHASED	VARIOUS	7/15/2010
12	650 SH. AT&T	PURCHASED	VARIOUS	7/27/2010
13	75 SH. BANK OF NEW YORK	PURCHASED	12/10/2008	1/19/2010
14	300 SH. CAL-MAINE FOODS, INC	PURCHASED	5/15/2008	6/29/2010

HERBERT N GUNDERSHEIMER FOUNDATION, INC.

52-2070429

5/16/11

03 05PM

STATEMENT 8 (CONTINUED)
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
15	750 SH. CAMPBELL SOUP CO.	PURCHASED	3/24/2009	4/29/2010
16	515.996 SH. DODGE & COX	PURCHASED	1/24/2007	7/06/2010
17	1000 SH. ECLIPSYS CORP	PURCHASED	1/01/2008	7/27/2010
18	600 SH. GENERAL ELECTRIC	PURCHASED	1/01/2008	2/01/2010
19	300 SH. ISHARES 1-3 YR CREDIT ETF	PURCHASED	10/02/2009	12/02/2010
20	300 SH. JOHNSON & JOHNSON	PURCHASED	1/01/2008	7/06/2010
21	125 SH. MEDTRONIC INC	PURCHASED	12/10/2008	2/11/2010
22	400 SH. NII HOLDINGS, INC	PURCHASED	3/04/2009	12/02/2010
23	500 SH. OLIN CORP	PURCHASED	3/11/2009	7/06/2010

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	50,629.		26,060.	24,569.				\$ 24,569.
2	44,196.		32,815.	11,381.				11,381.
3	36,854.		22,717.	14,137.				14,137.
4	56,569.		19,352.	37,217.				37,217.
5	13,948.		8,585.	5,363.				5,363.
6	35,198.		26,726.	8,472.				8,472.
7	31,166.		31,163.	3.				3.
8	36,988.		23,086.	13,902.				13,902.
9	34,846.		28,756.	6,090.				6,090.
10	23,013.		13,416.	9,597.				9,597.
11	39,131.		41,303.	-2,172.				-2,172.
12	17,059.		17,989.	-930.				-930.
13	2,174.		2,135.	39.				39.
14	9,875.		10,352.	-477.				-477.
15	26,765.		20,139.	6,626.				6,626.
16	14,976.		22,986.	-8,010.				-8,010.
17	19,695.		18,532.	1,163.				1,163.
18	9,707.		20,355.	-10,648.				-10,648.
19	31,319.		31,163.	156.				156.
20	17,627.		16,207.	1,420.				1,420.
21	5,284.		3,862.	1,422.				1,422.
22	16,242.		4,945.	11,297.				11,297.
23	8,680.		5,140.	3,540.				3,540.
TOTAL								\$ 134,157.

STATEMENT 9
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
COLLEGE OF WILLIAM & MARY PO BOX 1693 WILLIAMSBURG, VA 23187	N/A	N/A	TO PROMOTE EDUCATION FOR STUDENTS	\$ 5,000.

HERBERT N GUNDERSHEIMER FOUNDATION, INC.

52-2070429

5/16/11

03 05PM

STATEMENT 9 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
COLUMBIA UNION CONFERENCE ASSOCIATION 5427 TWIN KNOLLS ROAD COLUMBIA, MD 21045	N/A	N/A	TO PROMOTE EDUCATION FOR STUDENTS.	\$ 55,000.
FREDERICK COMMUNITY COLLEGE FOUNDATION 7932 OPOSSUMTOWN PIKE FREDERICK, MD 21702	N/A	N/A	TO PROMOTE EDUCATION FOR STUDENTS.	700.
SPENCERVILLE ACADEMY 16325 NEW HAMPSHIRE AVE SILVER SPRING, MD 20905	N/A	N/A	TO PROMOTE EDUCATION FOR STUDENTS.	25,000.
UNIVERSITY OF BALTIMORE 1420 N. CHARLES ST BALTIMORE, MD 21201	N/A	N/A	TO PROMOTE EDUCATION FOR STUDENTS.	5,000.
HIGHLAND VIEW ACADEMY 10100 ACADEMY DRIVE HAGERSTOWN, MD 21740	N/A	N/A	TO PROMOTE EDUCATION FOR STUDENTS.	20,000.
TOTAL				\$ 110,700.

HERBERT N GUNDERSHEIMER FOUNDATION, INC.

52-2070429

5/10/11

03:44PM

**AVERAGE MONTHLY FAIR MARKET VALUE OF SECURITIES
FORM 990-PF, PART X, LINE 1A**

SECURITY	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
TD AMERITRADE	2,701,018	2,698,746	2,831,538	2,949,360	2,884,169	2,701,314	2,679,452	2,664,797	2,726,782	2,877,843	2,904,671	2,974,827
AVERAGES	<u>2,701,018</u>	<u>2,698,746</u>	<u>2,831,538</u>	<u>2,949,360</u>	<u>2,884,169</u>	<u>2,701,314</u>	<u>2,679,452</u>	<u>2,664,797</u>	<u>2,726,782</u>	<u>2,877,843</u>	<u>2,904,671</u>	<u>2,974,827</u>

TOTALS	33,594,517	NUMBER OF MONTHS	<u>12</u>
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AVERAGE MONTHLY FAIR MARKET VALUE 2,799,543

2010

FEDERAL WORKSHEETS

PAGE 3

HERBERT N GUNDERSHEIMER FOUNDATION, INC.

52-2070429

5/10/11

03:44PM

AVERAGE MONTHLY CASH BALANCES
FORM 990-PF, PART X, LINE 1B

CASH BAL.	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
TD AMERITRADE	90,031	89,356	99,389	73,958	35,048	28,189	21,810	26,085	28,358	24,873	21,981	32,544
AVERAGES	90,031	89,356	99,389	73,958	35,048	28,189	21,810	26,085	28,358	24,873	21,981	32,544

TOTALS 571,622 NUMBER OF MONTHS 12

AVERAGE MONTHLY CASH BALANCES 47,635

2010

FEDERAL SUPPLEMENTAL INFORMATION

PAGE 1

HERBERT N GUNDERSHEIMER FOUNDATION, INC.

52-2070429

5/10/11

03:44PM

ADDITIONAL INFORMATION FOR PART I, LINES 13 AND 16A:

H. DEAN BOULAND DOES NOT DIRECTLY RECEIVE COMPENSATION FOR HIS SERVICES AS THE DIRECTOR/PRESIDENT OF THE HERBERT N. GUNDERSHEIMER FOUNDATION, INC. HOWEVER, HE IS A MEMBER OF THE LAW FIRM OF BOULAND AND BRUSH, LLC AND THE LAW FIRM DOES RECEIVE PAYMENTS FOR SERVICES IT PROVIDES TO THE FOUNDATION. THESE AMOUNTS ARE REPORTED IN PART I, LINE 16A.

HERBERT N. GUNDERSHEIMER FOUNDATION, INC.
12/31/2010
LIST OF INVESTMENTS

STATEMENT #7:
PART II, LINE 10B:

Description	Quantity	Cost Basis	FMV at 12/31/2010
3M Company	400	19,296	34,520
Allscripts Healthcare	2400	15,773	46,248
Amgen	800	43,898	43,920
Ares Capital Corp	2130	43,444	35,102
AT&T	1000	22,495	29,380
BankAmerica Corp	200	7,624	2,668
Bayer AG	400	23,392	29,344
Big Lot Inc Com	1000	23,242	30,460
Bristol Myers	1200	29,410	31,776
Buckeye Partners LP	600	22,122	40,098
Cal-Maine Foods Inc Com	1700	37,416	53,686
Cephalon Inc	200	13,778	12,344
Cisco	1900	30,043	38,437
ConocoPhillips	1000	44,682	68,100
Copart, Inc	1000	27,027	37,350
Corporate Executive Brd	1175	23,410	44,121
Dodge & Cox Int'l	1653.977	40,038	59,064
Dominion Resources Inc Pies	1300	38,823	55,536
Exelng Corp	1330	55,399	55,381
Express Scripts CL A	800	41,902	43,240
Exxon Mobil Corp	300	11,522	21,936
Fluor Corp New	1000	45,520	66,260
General Dynamics	820	32,469	58,187
Gentex Corp Com	1800	41,140	53,208
Harbor Int'l Inst	3439.851	128,235	208,283
Hars Corporation	600	32,305	27,180
Heinz JH Col	1275	42,344	63,062
Insituform Tech	1500	31,192	39,765
Intel Corp	2500	48,533	52,575
iShares1-3 yr Credit ETF	600	62,326	62,568
Itron	900	43,076	49,905
Johnson & Johnson	450	21,545	27,833
Johnson Controls	1900	61,741	72,580
Kohl's Corp	1110	58,856	60,317
L-3 Communications Inc	675	37,819	47,581
Lab Corp of Amenca	400	25,475	35,168
Liberty Acom Int'l Fd	5518.985	130,749	225,837
Marathon Oil	1800	41,229	66,654
McCormick	1250	38,872	58,163
Mylan Labs	3000	53,945	63,390
NII Holdings, Inc	2000	26,634	89,320
Northrop Grumman Corp	950	40,362	61,541
Nvidia Corp	3100	28,066	47,740
Olin Corp	3000	33,980	61,560
Pepsico Incorporated	900	42,749	58,797
Plains All Amer Pipeline LP	1000	42,879	62,790
Rockwell International Co	1000	22,227	71,710
SPDR Gold Shares ETF	750	68,847	104,040
State Street Boston	1000	46,340	46,340
St Jude Med Inc Com	800	29,711	34,200
Stryker Corp	800	31,955	42,960
Symantec	2000	26,778	33,480
United Technologies Corp	475	25,159	37,392
Vanguard Emerging Mkts ETF	1900	40,760	91,477
Websense Inc	3000	32,821	60,750
Total		\$ 2,131,375	\$ 3,055,324