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

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

2010

For calendar year 2010, or tax year beginning

, 2010, and ending

, 20

G Check all that apply.

 Initial return Initial return of a former public charity Final return Amended return Address change Name change

Name of foundation

THE HANLEY FOUNDATION

A Employer identification number

52-2204367

Number and street (or P O box number if mail is not delivered to street address)

1101 30TH STREET, NW

Room/suite

500

(202) 625-8382

City or town, state, and ZIP code

WASHINGTON, DC 20007-3772

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 H Check type of organization Section 501(c)(3) exempt private foundation Section 4947(a)(1) nonexempt charitable trust Other taxable private foundationI Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 6,463,867. J Accounting method: Cash Accrual Other (specify) _____ (Part I, column (d) must be on cash basis.)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

Part I Analysis of Revenue and Expenses (The total amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc. received (attach schedule) .	0.			
2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	189,356.	189,356.		
5a Gross rents				
b Net rental income or (loss) _____				
6a Net gain or (loss) from sale of assets not on line 10				
b Gross sales price for all assets on line 6a 401,651.				
7 Capital gain net income (from Part IV, line 2) .				
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold .				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	178,736.	189,356.		
13 Compensation of officers, directors, trustees, etc.	0.			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)	70.			
b Accounting fees (attach schedule)	10.	1,531.	1,531.	
c Other professional fees (attach schedule)	5.			
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions)				
19 Depreciation (attach schedule) and depletion				
20 Occupancy	50,852.	50,852.		
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 1	8,035.	8,035.		
24 Total operating and administrative expenses.	60,418.	60,418.		
Add lines 13 through 23				
25 Contributions, gifts, grants paid	329,000.		329,000.	
26 Total expenses and disbursements Add lines 24 and 25	389,418.	60,418.		329,000.
27 Subtract line 26 from line 12	-210,682.			
a Excess of revenue over expenses and disbursements				
b Net investment income (if negative, enter -0-)		128,938.		
c Adjusted net income (if negative, enter -0-)				

102 Operating and Administrative 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
	1 Cash - non-interest-bearing		4,986.	9,726.	
	2 Savings and temporary cash investments				
	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 page 15 of the instructions)				
	7 Other notes and loans receivable (attach schedule) ►				
	Less allowance for doubtful accounts ►				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10 a Investments - U S and state government obligations (attach schedule)				
	b Investments - corporate stock (attach schedule) ATTACH 2		6,774,746.	6,559,324.	6,463,867.
	c Investments - corporate bonds (attach schedule)				
	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 the instructions Also, see page 1, item I)		6,779,732.	6,569,050.	6,463,867.
	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable (attach schedule)				
	22 Other liabilities (describe ►)				
	23 Total liabilities (add lines 17 through 22)			0.	
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> 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, bldg , and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds		6,779,732.	6,569,050.	
	30 Total net assets or fund balances (see page 17 of the instructions)		6,779,732.	6,569,050.	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)		6,779,732.	6,569,050.	

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	6,779,732.
2 Enter amount from Part I, line 27a	2	-210,682.
3 Other increases not included in line 2 (itemize) ►	3	
4 Add lines 1, 2, and 3	4	6,569,050.
5 Decreases not included in line 2 (itemize) ► ATTACHMENT 3	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	6,569,050.

Form 990-PF (2010)

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
a					
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			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
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		
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 pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8.	{ }		3		

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 page 18 of 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 (col. (b) divided by col. (c))
2009	493,000.	6,779,732.	0.072717
2008	503,510.	5,276,340.	0.095428
2007	526,007.	8,189,510.	0.064229
2006	558,712.	8,038,023.	0.069509
2005	619,018.	7,559,676.	0.081884

2 Total of line 1, column (d)	2	0.383767
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	0.076753
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	0.
5 Multiply line 4 by line 3	5	0.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,289.
7 Add lines 5 and 6	7	1,289.
8 Enter qualifying distributions from Part XII, line 4	8	329,000.

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 on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1 . . .	1,289.
	Date of ruling or determination letter _____ (attach copy of ruling letter if necessary - see instructions)	
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	
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)	
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2
3	Add lines 1 and 2	3
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5
6	Credits/Payments	
a	2010 estimated tax payments 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
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10
11	Enter the amount of line 10 to be Credited to 2011 estimated tax ►	11
		Refunded

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	X	
	<i>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</i>		
1c	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 ► \$ _____ (2) On foundation managers ► \$ _____		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	X	
	<i>If "Yes," attach a detailed description of the activities</i>		
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? <i>If "Yes," attach a conformed copy of the changes</i>	X	
4a	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 on Form 990-T for this year?	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	X	
	<i>If "Yes," attach the statement required by General Instruction T</i>		
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? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► _____		
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? <i>If "No," attach explanation</i>	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 on page 27)? <i>If "Yes," complete Part XIV</i>	X	
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	X	

Part VII-A Statements Regarding Activities (continued)

11		X
12		X
13	X	
Website address ► N/A		
14	ELLEN MCMACKIN Located at ► 1101 30TN STREET, NW WASHINGTON, DC	Telephone no ► 202-625-8382 ZIP + 4 ► 20007
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ► <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ► <input type="checkbox"/> 15	
16	Yes	No
See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-221. If "Yes," enter the name of the foreign country ►		

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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" 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 page 22 of the instructions)?	1b	X
Organizations relying on a current notice regarding disaster assistance check here. ► <input type="checkbox"/>		
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?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If "Yes," list the years ►		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 22 of the instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<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? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010)	3b	X
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

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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 page 22 of the instructions)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 page 22 of the instructions)?			5b	
	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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			6b	X
	If "Yes" to 6b, file Form 8870				
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?			7b	X

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 page 22 of the 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
ATTACHMENT 4		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the 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 ►

Form 990-PF (2010)

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 page 23 of the 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 ►		NONE

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 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Amount

1 NONE	
2	
All other program-related investments. See page 24 of the instructions	
3 NONE	
Total. Add lines 1 through 3 ►	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the 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	
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0.
d	Total (add lines 1a, b, and c)	1d	0.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	0.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	0.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	0.
6	Minimum investment return. Enter 5% of line 5	6	0.

Part XI Distributable Amount (see page 25 of the 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	0.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	1,289.
b	Income tax for 2010 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,289.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	-1,289.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	-1,289.
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes	1a	329,000.
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1b	0.
b	Program-related investments - total from Part IX-B	2	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	3a	0.
3	Amounts set aside for specific charitable projects that satisfy the	3b	0.
a	Suitability test (prior IRS approval required)	4	329,000.
b	Cash distribution test (attach the required schedule)	5	1,289.
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	327,711.
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 page 26 of the instructions)		
6	Adjusted qualifying distributions. Subtract line 5 from line 4		

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

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				0.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years 20 08 20 07 20 06		0.		
3 Excess distributions carryover, if any, to 2010				
a From 2005	621,350.			
b From 2006	560,000.			
c From 2007	528,146.			
d From 2008	506,500.			
e From 2009	493,000.			
f Total of lines 3a through e	2,708,996.			
4 Qualifying distributions for 2010 from Part XII, line 4 ► \$ 329,000.				
a Applied to 2009, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2010 distributable amount				0.
e Remaining amount distributed out of corpus	329,000.			
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	3,037,996.			
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				
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions		0.		
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011.				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	621,350.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	2,416,646.			
10 Analysis of line 9				
a Excess from 2006	560,000.			
b Excess from 2007	528,146.			
c Excess from 2008	506,500.			
d Excess from 2009	493,000.			
e Excess from 2010	329,000.			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

1a	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				4942(j)(3) or	4942(j)(5)																																																																																																		
2a	<table border="1"> <thead> <tr> <th rowspan="2">Tax year</th> <th colspan="3">Prior 3 years</th> <th rowspan="2">(e) Total</th> </tr> <tr> <th>(a) 2010</th> <th>(b) 2009</th> <th>(c) 2008</th> <th>(d) 2007</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2a</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2b</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2c</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2d</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2e</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>3</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>a</td> <td>"Assets" alternative test - enter</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(1)</td> <td>Value of all assets</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(2)</td> <td>Value of assets qualifying under section 4942(j)(3)(B)(i)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>b</td> <td>"Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>c</td> <td>"Support" alternative test - enter</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(1)</td> <td>Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(2)</td> <td>Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(3)</td> <td>Largest amount of support from an exempt organization</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(4)</td> <td>Gross investment income</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						Tax year	Prior 3 years			(e) Total	(a) 2010	(b) 2009	(c) 2008	(d) 2007	1					2a					2b					2c					2d					2e					3					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)(ii)					(3)	Largest amount of support from an exempt organization					(4)	Gross investment income				
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Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 28 of the instructions.)**1 Information Regarding Foundation Managers:**

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

N/A

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

N/A

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 page 28 of the 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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i> SCHEDULE ATTACHED				329,000.
Total			► 3a	329,000.
<i>b Approved for future payment</i>				
Total			► 3b	

Part XVI-A | Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities			14	189,356.	
5	Net rental income or (loss) from real estate					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory			18	-10,620.	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue a					
b						
c						
d						
e						
12	Subtotal Add columns (b), (d), and (e)				178,736.	
13	Total Add line 12, columns (b), (d), and (e)					178,736.

12 Subtotal Add columns (b), (d), and (e)

13 Total. Add line 12, columns (b), (d), and (e) . . .

(See worksheet in line 13 instructions on page 29 to verify calculations)

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

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

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign 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**

Under penalties of perjury, I declare that I have examined and believe, it is true, correct, and complete. Declaration of [redacted]

Signature of [redacted] *[Redacted]*

16911

President

Signature of officer or trustee		Date	Title	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	PTIN
	JC MEYER		6/7/11	Check <input type="checkbox"/> if self-employed P00194533
	Firm's name ► MEYER & ASSOCIATES, PC		Firm's EIN ► 52-1887458	
Firm's address ► 4115 WISCONSIN AVE. NW, SUITE 205 WASHINGTON, DC		20016	Phone no 202-362-6700	

THE HANLEY FOUNDATION - 2010 CONTRIBUTIONS

ORGANIZATION	AMOUNT	ADDRESS
Anacostia Gracious Arts Program	5,000	2909 Pennsylvania Avenue, SE, Washington, DC 20020
Boys and Girls Club of Greater Washington	25,000	8380 Colesville Road, Suite 600, Silver Spring, MD 20910
Bread for the City	5,000	1525 Seventh Street, NW, Washington, DC 20001
Bullis School	25,000	10601 Falls Road, Potomac, MD 20854
Capital Partners for Education	10,000	1413 K Street, NW, 2nd Floor, Washington, DC 20005
Chesapeake Bay Foundation	50,000	6 Herndon Avenue, Annapolis, MD 21403
Community Council for the Homeless	31,000	4713 Wisconsin Avenue, NW, Washington, DC 20016
Conquer Pediatric Chiari	1,000	320 Osprey Court, Wexford, PA 15090
DC Central Kitchen	4,000	425 2nd Street, NW, Washington, DC 20001
Doctors Without Borders	2,500	333 Seventh Avenue, 2nd Floor, New York, NY 10001-5004
Empower African Children	17,000	4916 Junior Street, Dallas, TX 75214
Hanley Award for Sustainable Architecture	50,000	c/o Suite 500, 1101 30th Street, NW, Washington, DC 20007
Heifer International	2,500	PO Box 8058, Little Rock, AR 722203
Horace Mann School	2,500	4430 Newark Street, NW, Washington, DC 20016
Inner City/Inner Child - Dumbarton Series	5,000	3133 Dumbarton Street, NW, Washington, DC 20007
International Women's Health Coalition	2,500	333 Seventh Avenue, 6th Floor, New York, NY 10001-5004
Larkin Youth Services	7,500	701 Sutter Street, Suite 2, San Francisco, CA 94109
Marin Horizon School	2,500	305 Montford Avenue, Mill Valley, CA 94941
Martha's Table	11,000	2114 14th Street, NW, Washington, DC 20009
National Capital Poison Center	500	3201 New Mexico Ave., NW, Washington, DC 20016
National Public Radio Foundation	1,000	635 Massachusetts Avenue, NW, Washington, DC 20001
Project Open Hand	2,500	730 Polk Street, San Francisco, CA 94109
Recording for the Blind	5,000	5225 Wisconsin Ave., NW, Washington, DC 20015
San Francisco Food Bank	2,500	900 Pennsylvania Avenue, San Francisco, CA 94107
Support for Families of Children with Disabilities	7,500	1663 Mission Street, 7th Floor, San Francisco, CA 94103
Surfrider Foundation	1,000	P.O. Box 6010, San Clemente, CA 92674
The Children's Law Center	5,000	616 H Street, NW, Suite 300, Washington, DC 20001
Washington Lawyers Committee	5,000	11 Dupont Circle, NW, Suite 400, Washington, DC 20036
Wendt Center for Loss/Healing	40,000	730 11th Street, NW, Third Floor, Washington, DC 20001
Total Contributions	<u>329,000</u>	

**THE HANLEY FOUNDATION 2010 GIFTS
(as of 12/31/10)**

FORM 990PF, PART I - OTHER EXPENSES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
BANK CHARGES	98.	98.
INVESTMENT FEES	4,332.	4,332.
SUPPLIES	655.	655.
PARKING	2,950.	2,950.
TOTALS	<u><u>8,035.</u></u>	<u><u>8,035.</u></u>

ATTACHMENT 1

FORM 990PE, PART II - CORPORATE STOCK

ATTACHMENT 2

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
PUBLICLY TRADED STOCK		
BERNSTEIN INTL VALUE PORTFOLIO	1,097,813.	726,190.
KALMAR POOLED INVEST SM CAP GR		
PIMCO TOTAL RETURN	2,162,992.	1,794,332.
MARSICO INV'T FD	307,207.	366,529.
BERNSTEIN EMERGING MARKETS		
VANGUARD INDEX TRUST 500 PORTF	400,460.	378,104.
LONGLEAF PARTNERS FED	1,138,501.	1,204,722.
FRONTEGRA FDS NEW STAR INTL EQ	345,061.	357,981.
SKYLINE FDS SPL EQUITIES	218,167.	278,083.
DREYFUS INSTITUTIONAL RESERVES		
T ROWE PRICE	4,153.	4,153.
VANGUARD DEVELOPED MKT INDEX	307,720.	362,721.
	577,250.	991,052.
TOTALS	<u><u>6,559,324.</u></u>	<u><u>6,463,867.</u></u>

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
--------------------	---------------

FEDERAL INCOME TAXES

TOTAL

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 4

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
MICHAEL J. HANLEY 1101 30TH STREET, NW SUITE 500 WASHINGTON, DC 20007	PRESIDENT 35.00	0.	0.	0.
KATHRYN J HANLEY 1101 30TH STREET NW SUITE 500 WASHINGTON, DC 20007	VICE PRESIDENT	0.	0.	0.
ELLEN MCMACKIN 1101 30TH STREET NW SUITE 500 WASHINGTON, DC 20007	SECRETARY 10.00	0.	0.	0.
	GRAND TOTALS	<u>0.</u>	<u>0.</u>	<u>0.</u>

SCHEDULE D
(Form 1041)Department of the Treasury
Internal Revenue Service**Capital Gains and Losses**

OMB No 1545-0092

2010

Name of estate or trust

THE HANLEY FOUNDATION

Employer identification number

52-2204367

Note: Form 5227 filers need to complete **only** Parts I and II.**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					
b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b				1b	
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824				2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts				3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2009 Capital Loss Carryover Worksheet				4 ()	
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ► 5					

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					
b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b				6b	-10,620.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824				7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts				8	
9 Capital gain distributions				9	
10 Gain from Form 4797, Part I				10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2009 Capital Loss Carryover Worksheet				11 ()	
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ► 12					-10,620.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2010

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
13	Net short-term gain or (loss)	13		
14	Net long-term gain or (loss):	14a		-10,620.
a	Total for year			
b	Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a	15		-10,620.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation	
16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of
a	The loss on line 15, column (3) or b \$3,000

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates	
---	--

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the worksheet on page 8 of the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . .	17		
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero . . .	18		
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . .	19		
20	Add lines 18 and 19 . . .	20		
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- . . . ►	21		
22	Subtract line 21 from line 20. If zero or less, enter -0- . . .	22		
23	Subtract line 22 from line 17. If zero or less, enter -0- . . .	23		
24	Enter the smaller of the amount on line 17 or \$2,300 . . .	24		
25	Is the amount on line 23 equal to or more than the amount on line 24? Yes. Skip lines 25 and 26, go to line 27 and check the "No" box. No. Enter the amount from line 23. . . .	25		
26	Subtract line 25 from line 24. . . .	26		
27	Are the amounts on lines 22 and 26 the same? Yes. Skip lines 27 thru 30, go to line 31 No. Enter the smaller of line 17 or line 22. . . .	27		
28	Enter the amount from line 26 (If line 26 is blank, enter -0-) . . .	28		
29	Subtract line 28 from line 27 . . .	29		
30	Multiply line 29 by 15% (15) . . .	30		
31	Figure the tax on the amount on line 23. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . .	31		
32	Add lines 30 and 31 . . .	32		
33	Figure the tax on the amount on line 17. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . .	33		
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) . . .	34		

Schedule D (Form 1041) 2010

Name of estate or trust as shown on Form 1041. Do not enter name and employer identification number if shown on the other side.

THE HANLEY FOUNDATION

Employer identification number

52-2204367

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b

-10,620.



BNY MELLON
WEALTH MANAGEMENT

THE HANLEY FOUNDATION

2010 Tax Information

Account Number 10581525410

Page 4

Income for 2010

This section reports your proceeds from sales during the year. We are not required nor do we report your net gains and losses to the Internal Revenue Service. An asterisk symbol (*) next to the tax cost indicates that the tax cost has been adjusted for the current year's return of capital. A schedule of your net gains and losses is shown below. Please note that if you have sold an asset for which we do not have cost basis information, it is either shown separately in the section entitled Cost Not Available or it may appear with a zero tax cost. Please review these carefully before preparing your tax return.

Long term gains and losses

This category includes sales of assets held more than 12 months

Description	Cusip	Units	Acquisition Date	Sale date	Gross proceeds less commissions	Tax cost	Net gain or loss
BERNSTEIN SANFORD C FD INC INTL	0855688855	1476 59	05/02/01	03/03/10	\$21,764 94	\$25,618 89	\$-3,853 95
BERNSTEIN SANFORD C FD INC INTL	0855688855	873 91	12/12/01	03/03/10	\$12,881 43	\$12,767 85	\$113 58
BERNSTEIN SANFORD C FD INC INTL	0855688855	348 98	12/06/02	03/03/10	\$5,143 97	\$4,533 27	\$610 70
BERNSTEIN SANFORD C FD INC INTL	0855688855	280 79	12/10/03	03/03/10	\$4,138 84	\$5,681 98	\$-1,543 14
BERNSTEIN SANFORD C FD INC INTL	0855688855	411 85	10/11/05	03/03/10	\$6,070 67	\$9,369 63	\$-3,298 96
VANGUARD INDEX TR 500 PORTFOLIO	922908108	2 43	06/24/05	03/03/10	\$251 16	\$267 03	\$-15 87
VANGUARD INDEX TR 500 PORTFOLIO	922908108	48 08	09/23/05	03/03/10	\$4,969 51	\$5,381 11	\$-411 60
BERNSTEIN EMERGING MKTS VALUE PORT	0855688863	155 01	10/11/05	03/03/10	\$4,372 83	\$6,574 70	\$-2,201 87
BERNSTEIN EMERGING MKTS VALUE PORT	0855688863	731 2	03/11/05	03/03/10	\$20,627 17	\$28,703 29	\$-8,076 12
VANGUARD INDEX TR 500 PORTFOLIO	922908108	433 24	10/11/05	03/03/10	\$44,779 33	\$47,313 92	\$-2,534 59
BERNSTEIN SANFORD C FD INC INTL	0855688855	5119 45	10/11/05	09/17/10	\$75,000 00	\$116,467 58	\$-41,467 58
VANGUARD INDEX TR 500 PORTFOLIO	922908108	720 46	10/11/05	09/17/10	\$75,000 00	\$78,681 54	\$-3,681 54
BERNSTEIN EMERGING MKTS VALUE PORT	0855688863	1570 92	10/11/05	10/21/10	\$50,000 00	\$66,629 17	\$-16,629 17
PIMCO FDS TOTAL RETURN INSTL FD	693390700	4280 82	01/31/07	10/21/10	\$50,000 00	\$4,280 82	\$45,719 18
Total long term gain/loss for sales of assets:					\$374,999 85	\$412,270 78	\$-37,270 93

Application for Extension of Time To File an Exempt Organization Return

► **File a separate application for each return**

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box ►
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed)

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Type or print	Name of exempt organization THE HANLEY FOUNDATION	Employer identification number 52-2204367
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P O box, see instructions 1101 30TH STREET, NW	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions WASHINGTON, DC 20007-3772	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ➤ ELLEN MCMACKIN

Telephone No. ► 202 625-8382 FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ► If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for

2 If the tax year entered in line 1 is for less than 12 months, check reason Initial return Final return
 Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	\$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	\$
c	Balance Due. Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	\$

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

For Paperwork Reduction Act Notice, see Instructions.