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Form **990-PF**Department of the Treasury  
Internal Revenue Service**Return of Private Foundation**

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

OMB No 1545-0052

**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

, 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

AYERS FOUNDATION

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

450 TENNESSEE AVE., SUITE 101

P.O. BOX 217

City or town, state, and ZIP code

PARSONS, TN 38363

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, col. (c), line

16) ▶ \$ 6,642,155.

J Accounting method:

☒ Cash☐ Accrual☐ Other (specify)

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

**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (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) . . . . .	366,481.			
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B . . . . .				
3 Interest on savings and temporary cash investments . . . . .	109,769.	109,769.		ATCH 1
4 Dividends and interest from securities . . . . .				
5a Gross rents . . . . .				
b Net rental income or (loss) . . . . .				
6a Net gain or (loss) from sale of assets not on line 10 . . . . .	-3,221.			
b Gross sales price for all assets on line 6a . . . . .	268,465.			
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 . . . . .	473,029.	109,769.		
13 Compensation of officers, directors, trustees, etc. . . . .				
14 Other employee salaries and wages . . . . .				
15 Pension plans, employee benefits . . . . .				
16a Legal fees (attach schedule) . . . . .				
b Accounting fees (attach schedule) ATCH 2 . . . . .	3,447.	0.	0.	0.
c Other professional fees (attach schedule) * . . . .	391,697.	17,159.		
17 Interest . . . . .				
18 Taxes (attach schedule) (see page 14 of the instructions) ** . . . .	278.			
19 Depreciation (attach schedule) and depletion . . . . .	1,153.			
20 Occupancy . . . . .	5,832.			
21 Travel, conferences, and meetings . . . . .	7,544.			
22 Printing and publications . . . . .	2,162.			
23 Other expenses (attach schedule) ATCH 5 . . . . .	32,357.	375.		
24 Total operating and administrative expenses. Add lines 13 through 23 . . . . .	444,470.	17,534.	0.	0.
25 Contributions, gifts, grants paid . . . . .	3,890,740.			3,890,740.
26 Total expenses and disbursements. Add lines 24 and 25 . . . . .	4,335,210.	17,534.	0.	3,890,740.
27 Subtract line 26 from line 12 . . . . .	-3,862,181.			
a Excess of revenue over expenses and disbursements . . . . .				
b Net investment income (if negative, enter -0-) . . . . .		92,235.		
c Adjusted net income (if negative, enter -0-) . . . . .				

For Paperwork Reduction Act Notice, see page 30 of the instructions.

\* ATCH 3 JSA

\*\* ATCH 4

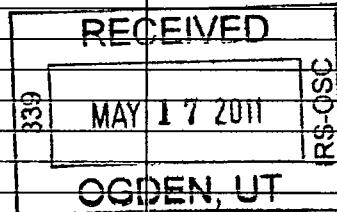
Form 990-PF (2010)

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PAGE 4

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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	10,500,961.	6,640,058.	6,640,058.
	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)			
	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		9,617.		
Less: accumulated depreciation (attach schedule)		7,520.		
15 Other assets (describe)				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		10,504,212.	6,642,155.	6,642,155.
17 Accounts payable and accrued expenses			136.	
18 Grants payable				
Net Assets or Fund Balances	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)		136.		
Foundations that follow SFAS 117, check here <input type="checkbox"/>	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	10,504,212.	6,642,019.	
	30 Total net assets or fund balances (see page 17 of the instructions)	10,504,212.	6,642,019.	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	10,504,212.	6,642,155.	

**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	10,504,212.
2 Enter amount from Part I, line 27a	2	-3,862,181.
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	6,642,031.
5 Decreases not included in line 2 (itemize) <b>ATTACHMENT 6</b>	5	12.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	6,642,019.

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.)
<b>1a</b> SEE PART IV SCHEDULE					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					

(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)
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

<b>2</b> 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 }	<b>2</b>	-3,221.
<b>3</b> 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.		<b>3</b>	

**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	1,244,487.	10,265,786.	0.121227
2008	1,113,931.	9,799,194.	0.113676
2007	436,404.	5,316,602.	0.082083
2006	219,366.	247,252.	0.887216
2005	749,859.	62,529.	11.992180

<b>2</b> Total of line 1, column (d)	<b>2</b>	13.196382
<b>3</b> 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	<b>3</b>	2.639276
<b>4</b> Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	<b>4</b>	9,043,391.
<b>5</b> Multiply line 4 by line 3	<b>5</b>	23,868,005.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	922.
<b>7</b> Add lines 5 and 6	<b>7</b>	23,868,927.
<b>8</b> Enter qualifying distributions from Part XII, line 4	<b>8</b>	3,890,740.

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. . . . . 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 type="checkbox"/> and enter 1% of Part I, line 27b . . . . .	1	1,845.
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	1,845.
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	1,845.
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010 . . . . .	6a	1,956.
b	Exempt foreign organizations-tax withheld at source . . . . .	6b	0.
c	Tax paid with application for extension of time to file (Form 8868) . . . . .	6c	0.
d	Backup withholding erroneously withheld . . . . .	6d	
7	Total credits and payments. Add lines 6a through 6d . . . . .	7	1,956.
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	111.
11	Enter the amount of line 10 to be Credited to 2011 estimated tax 111. Refunded 111. . . . .	11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a		X
b		X
c		X
d		
e		
2		X
3		X
4a		X
4b		X
5		X
6		X
7	X	
8a		
8b	X	
9		X
10	X	

Form 990-PF (2010)

**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 page 20 of the 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>THE ORGANIZATION</u> Telephone no <u>731-847-4962</u> Located at <u>450 TENNESSEE AVE., STE 101 PARSONS, TN</u> ZIP + 4 <u>38363</u>			
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 <u>15</u>			
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 page 20 of 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

**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 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 page 22 of the instructions)? <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years <u></u>		
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 <u></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? (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

Form 990-PF (2010)

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

**5 a** 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 page 22 of the 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 page 22 of the instructions)? ☐ Yes ☒ No  
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).

**6 a** 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  
If "Yes" to 6b, file Form 8870

**7 a** 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? ☐ Yes ☒ No

**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 8		-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
ATTACHMENT 9		391,697.
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 N/A	
2	
All other program-related investments See page 24 of the instructions	
3 NONE	
Total. Add lines 1 through 3	

Form 990-PF (2010)



**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	10,274.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	9,170,834.
<b>c</b>	Fair market value of all other assets (see page 25 of the instructions)	<b>1c</b>	0.
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	9,181,108.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	9,181,108.
<b>4</b>	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	137,717.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	<b>5</b>	9,043,391.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	452,170.

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	452,170.
<b>2a</b>	Tax on investment income for 2010 from Part VI, line 5	<b>2a</b>	1,845.
<b>b</b>	Income tax for 2010. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	1,845.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	450,325.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	450,325.
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	450,325.

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

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	3,890,740.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	0.
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	0.
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	0.
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	3,890,740.
<b>5</b>	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)	<b>5</b>	N/A
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	3,890,740.

**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 . . . . .				450,325.
2 Undistributed income, if any, as of the end of 2010:				
a Enter amount for 2009 only . . . . .				
b Total for prior years 20 08, 20 07, 20 06 . . . . .				
3 Excess distributions carryover, if any, to 2010:				
a From 2005 . . . . .	746,733.			
b From 2006 . . . . .	207,003.			
c From 2007 . . . . .	175,403.			
d From 2008 . . . . .	627,603.			
e From 2009 . . . . .	733,152.			
f Total of lines 3a through e . . . . .	2,489,894.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 3,890,740.				
a Applied to 2009, but not more than line 2a . . . . .				
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 . . . . .				450,325.
e Remaining amount distributed out of corpus . . . . .	3,440,415.			
5 Excess distributions carryover applied to 2010 . (If an amount appears in column (d), the same amount must be shown in column (a) )				
6 Enter the net total of each column as indicated below:	5,930,309.			
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b . . . . .				
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 . . . . .				
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see page 27 of the instructions . . . . .				
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011. . . . .				
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) . . . . .	746,733.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a . . . . .	5,183,576.			
10 Analysis of line 9:				
a Excess from 2006 . . . . .	207,003.			
b Excess from 2007 . . . . .	175,403.			
c Excess from 2008 . . . . .	627,603.			
d Excess from 2009 . . . . .	733,152.			
e Excess from 2010 . . . . .	3,440,415.			

Form 990-PF (2010)

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

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

☐ 4942(j)(3) or

☐ 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)(ii) . . . . .

(3) Largest amount of support from an exempt organization . . . . .

(4) Gross investment income . . . . .

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

ATTACHMENT 10

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 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:

ATTACHMENT 11

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

NO SPECIFIC FORM IS REQUIRED.

c Any submission deadlines.

APPLICATIONS ARE ACCEPTED AT ANY TIME.

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

ATTACHMENT 12

**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
<b>a Paid during the year</b>				
ATTACHMENT 13				
<b>Total</b> . . . . .			<b>3a</b>	3,890,740.
<b>b Approved for future payment</b>				
<b>Total</b> . . . . .			<b>3b</b>	

Form 990-PF (2010)





**Schedule of Contributors**

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No. 1545-0047

**2010**

Name of the organization  
AYERS FOUNDATION

Employer identification number  
62-1773033

**Organization type (check one):**

**Filers of:**

**Section:**

Form 990 or 990-EZ

☐ 501(c)( ) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust not treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions

**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year . . . . . ▶ \$

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization AYERS FOUNDATION

Employer identification number  
62-1773033**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	JAMES W. AYERS 200 4TH AVENUE N. NASHVILLE, TN 37219	\$ 271,365.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	SARAH K. GIVENS 314 WHITWORTH WAY NASHVILLE, TN 37205	\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	TN HIGHER EDUCATION ASSOC.- DOUG CULLUM 404 JAMES ROBERTSON PKWY., STE. 1900 NASHVILLE, TN 37243	\$ 59,616.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	OASIS CENTER ATTN: KIM REESE 1704 CHARLOTTE AVE., STE. 200 NASHVILLE, TN 37203	\$ 12,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)



**Employer identification number**  
62-1773033

[illegible]

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INTEREST INCOME	109,769.	109,769.
TOTAL	<u>109,769.</u>	<u>109,769.</u>

ATTACHMENT 2

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING FEES	3,447.			
TOTALS	<u>3,447.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
MANAGEMENT FEES	277,274.	17,159.
CONSULTING FEES	114,423.	
TOTALS	<u>391,697.</u>	<u>17,159.</u>

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
FEDERAL TAXES	278.
TOTALS	<u>278.</u>

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
TELEPHONE	7,128.	
POSTAGE & DELIVERY	1,672.	
BANQUET EXPENSES	14,735.	
MISCELLANEOUS	111.	
MEALS	885.	
SUPPLIES	482.	
MARKETING SUPPLIES	65.	
OFFICE SUPPLIES	1,605.	
TRANSCRIPT FEES	23.	
BANK FEES	375.	375.
LICENSES	14.	
GRATUITIOUS GIFTS	716.	
EQUIPMENT REPAIRS	250.	
CONTRACT LABOR	735.	
TRAINING	170.	
AUTO EXPENSES	83.	
MARKETING & PUBLIC RELATIONS	628.	
WEBSITE DESIGN	390.	
COLLEGE FAIRS	1,600.	
TN STATE FILING FEE	40.	
DUES & SUBSCRIPTIONS	106.	
OFFICE EQUIPMENT	70.	
COLLEGE AND TEST FEES	474.	
TOTALS	32,357.	375.

ATTACHMENT 6

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

<u>DESCRIPTION</u>	<u>AMOUNT</u>
PPA- ROUNDING	12.
TOTAL	<u>12.</u>

**FORM 990-PF - PART IV**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis	Gain or (loss)	
268,465.		JP MORGAN AC#W22946003 271,686.				VAR -3,221.	VAR
TOTAL GAIN (LOSS) .....						<u>-3,221.</u>	



AYERS FOUNDATION

62-1773033

FORM 990PF, PART VII-A, LINE 10 - NEW SUBSTANTIAL CONTRIBUTORS

ATTACHMENT 7

NAME AND ADDRESS	DATE	DIRECT PUBLIC SUPPORT
JAMES W. AYERS 200 4TH AVENUE N. NASHVILLE, TN 37219	VARIOUS	271,365.
SARAH K. GIVENS 314 WHITWORTH WAY NASHVILLE, TN 37205	07/07/2010	20,000.
TN HIGHER EDUCATION ASSOC.- DOUG CULLUM 404 JAMES ROBERTSON PKWY., STE. 1900 NASHVILLE, TN 37243	VARIOUS	59,616.
OASIS CENTER ATTN: KIM REESE 1704 CHARLOTTE AVE., STE. 200 NASHVILLE, TN 37203	12/27/2010	12,000.
TOTAL CONTRIBUTION AMOUNTS		362,981.

AYERS FOUNDATION

62-1773033

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

ATTACHMENT 8

TITLE AND AVERAGE HOURS PER  
WEEK DEVOTED TO POSITION

NAME AND ADDRESS

CHAIRMAN

JAMES W. AYERS  
450 TENNESSEE AVE., SUITE 101  
P.O. BOX 217  
PARSONS, TN 38363

DIRECTOR

JON AYERS  
450 TENNESSEE AVE., SUITE 101  
P.O. BOX 217  
PARSONS, TN 38363

SECRETARY

CLAY PETREY  
450 TENNESSEE AVE., SUITE 101  
P.O. BOX 217  
PARSONS, TN 38363

PRESIDENT

JANET AYERS  
450 TENNESSEE AVE., SUITE 101  
P.O. BOX 217  
PARSONS, TN 38363

DIRECTOR

JOANN LYNN  
450 TENNESSEE AVE., SUITE 101  
P.O. BOX 217  
PARSONS, TN 38363

AYERS FOUNDATION

62-1773033

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

ATTACHMENT 8 (CONT'D)

TITLE AND AVERAGE HOURS PER  
WEEK DEVOTED TO POSITION

NAME AND ADDRESS

DIRECTOR

KRISTY AYERS  
450 TENNESSEE AVE., SUITE 101  
P.O. BOX 217  
PARSONS, TN 38363

DIRECTOR

AGENIA CLARK  
450 TENNESSEE AVE., SUITE 101  
P.O. BOX 217  
PARSONS, TN 38363

DIRECTOR

LEE ANN INGRAM  
450 TENNESSEE AVE., SUITE 101  
P.O. BOX 217  
PARSONS, TN 38363

DIRECTOR

CASSIE LYNN  
450 TENNESSEE AVE., SUITE 101  
P.O. BOX 217  
PARSONS, TN 38363

VICE PRESIDENT

MICHAEL PRICE  
450 TENNESSEE AVE., SUITE 101  
P.O. BOX 217  
PARSONS, TN 38363

GRAND TOTALS

. 990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALSATTACHMENT 9

<u>NAME AND ADDRESS</u>	<u>TYPE OF SERVICE</u>	<u>COMPENSATION</u>
AYERS ASSET MANAGEMENT 450 TENNESSEE AVE. S. PARSONS, TN 38363	MANAGEMENT	277,274.
OASIS CENTER INC 1221 16TH AVENUE S. NASHVILLE, TN 37212	CONSULTING	114,423.
TOTAL COMPENSATION		<u>391,697.</u>

AYERS FOUNDATION

62-1773033

ATTACHMENT 10

FORM 990PF, PART XV - INFORMATION REGARDING FOUNDATION MANAGERS

JAMES W. AYERS  
JON AYERS

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

JANET AYERS  
450 TENNESSEE AVE, SUITE 101  
PARSONS, TN  
731-847-4962

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS

DONATIONS ARE PRIMARILY, BUT NOT EXCLUSIVELY LIMITED TO ORGANIZATIONS  
LOCATED IN DECATUR AND HENDERSON COUNTIES IN THE STATE OF TENNESSEE.

AYERS FOUNDATION

62-1773033

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR  
AND

RECIPIENT NAME AND ADDRESS	FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
MASTERS PROGRAM (FREED HARDEMAN UNIV.)		GENERAL/OPERATING	71,135.
BOY SCOUTS OF AMERICA		GENERAL/OPERATING	12,500.
DECATUR COUNTY SHEPARD FUND		GENERAL/OPERATING	8,000.
FIRST BAPTIST CHURCH		GENERAL/OPERATING	25,948.
TENNESSEE STATE MUSEUM		GENERAL/OPERATING	2,000.
UNIVERSITY OF TENNESSEE AT MARTIN		GENERAL/OPERATING	278,637.



AYERS FOUNDATION

62-1773033

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13 (CONT'D)

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR  
AND

<u>RECIPIENT NAME AND ADDRESS</u>	<u>FOUNDATION STATUS OF RECIPIENT</u>	<u>PURPOSE OF GRANT OR CONTRIBUTION</u>	<u>AMOUNT</u>
UNICOI COUNTY FAMILY YMCA		GENERAL/OPERATING	43,000.
UNICOI COUNTY CHAMBER OF COMMERCE		GENERAL/OPERATING	20,000.
UNICOI CO CHIPS		GENERAL/OPERATING	25,000.
CENTERSTONE		GENERAL/OPERATING	220,000.
UNICOI COUNTY UNITED WAY		GENERAL/OPERATING	15,000.
ST. JUDES CHILDREN'S HOSPITAL		GENERAL/OPERATING	65,000.

AYERS FOUNDATION

62-1773033

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13 (CONT'D)

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

WEST TN HEALTHCARE

GENERAL/OPERATING

10,000.

HOSPITALITY HOUSE

GENERAL/OPERATING

5,000.

FRANKLIN ROAD ACADEMY

GENERAL/OPERATING

195,000.

LANE COLLEGE

GENERAL/OPERATING

25,000.

UNICOI COUNTY KIWANIS PARK

GENERAL/OPERATING

2,500.

UNICOI CO MEMORIAL HOSPITAL

GENERAL/OPERATING

20,000.

AYERS FOUNDATION

62-1773033

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
VANDERBILT UNIVERSITY-NURSING SCHOLARSHIP			GENERAL/OPERATING	35,000.
JSCC FOUNDATION			GENERAL/OPERATING	2,000.
AMERICAN HEART ASSOCIATION			GENERAL/OPERATING	25,000.
UNITED WAY OF METRO NASHVILLE			GENERAL/OPERATING	25,000.
PARSONS LPN CLASS			GENERAL/OPERATING	58,500.
BE YOUR OWN HERO			GENERAL/OPERATING	9,189.

AYERS FOUNDATION

62-1773033

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13 (CONT'D)

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR  
AND

RECIPIENT NAME AND ADDRESS	FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
TENNESSEE CHILDRENS HOME		GENERAL/OPERATING	500.
DUCKS UNLIMITED		GENERAL/OPERATING	15,000.
FREED HARDEMAN UNIVERSITY		GENERAL/OPERATING	25,000.
NASHVILLE SYMPHONY ORCHESTRA		GENERAL/OPERATING	5,000.
UNION UNIVERSITY		GENERAL/OPERATING	13,000.
WINGS OF LIBERTY		GENERAL/OPERATING	75,000.

AYERS FOUNDATION

62-1773033

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13 (CONT'D)

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR  
AND

RECIPIENT NAME AND ADDRESS	FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
GEORGIA SOUTHERN		GENERAL/OPERATING	25,000.
BETHEL UNIVERSITY		GENERAL/OPERATING	100,000.
MAKE A WISH		GENERAL/OPERATING	2,000.
COMMUNITY FDN OF MIDDLE TN		GENERAL/OPERATING	937,181.
COMMUNITY FDN OF MEMPHIS		GENERAL/OPERATING	1,475,000.
THE STAR CENTER ART & MUSIC		GENERAL/OPERATING	400.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13 (CONT'D)

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR  
AND  
FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
T J MARTELL FOUNDATION	GENERAL/OPERATING	2,500.
FRIENDS OF THE LIBRARY LOBELVILLE LIBRARY	GENERAL/OPERATING	1,000.
MACULAR DEGENERATION ASSOC.	GENERAL/OPERATING	150.
AMERICAN CANCER SOCIETY	GENERAL/OPERATING	500.
UNICOI COUNTY LITTLE LEAGUE	GENERAL/OPERATING	500.
TPAC	GENERAL/OPERATING	1,000.

AYERS FOUNDATION

62-1773033

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13 (CONT'D)

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR  
AND

RECIPIENT NAME AND ADDRESS	FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ALL ABOUT WOMEN		GENERAL/OPERATING	1,000.
THE OPERATION ANDREW GROUP		GENERAL/OPERATING	2,500.
LAND TRUST FOR TN		GENERAL/OPERATING	500.
COMMUNITY FOUNDATION OF MIDDLE TN		GENERAL/OPERATING	750.
FRIENDS OF WARNER PARKS		GENERAL/OPERATING	2,500.
UNICOI CO. UNITED WAY		GENERAL/OPERATING	2,000.

AYERS FOUNDATION

62-1773033

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13 (CONT'D)

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR  
AND

RECIPIENT NAME AND ADDRESS	FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
THE CONSERVANCY		GENERAL/OPERATING	2,500.
MONROE HARDING		GENERAL/OPERATING	100.
GILDA'S CLUB NASHVILLE		GENERAL/OPERATING	500.
BRIGHTSTONE		GENERAL/OPERATING	250.
GILES COUNTY PUBLIC LIBRARY		GENERAL/OPERATING	1,000.
TOTAL CONTRIBUTIONS PAID			<u>3,890,740.</u>



**SCHEDULE D  
(Form 1041)**Department of the Treasury  
Internal Revenue Service**Capital Gains and Losses**▶ Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for  
Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

**2010**

Name of estate or trust

AYERS FOUNDATION

Employer identification number

62-1773033

**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	-3,221.
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	-3,221.

**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	
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	

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

Schedule D (Form 1041) 2010

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PAGE 43

<b>Part III Summary of Parts I and II</b>		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
<b>Caution: Read the instructions before completing this part.</b>				
<b>13</b>	<b>Net short-term gain or (loss)</b> . . . . .	<b>13</b>		-3,221.
<b>14</b>	<b>Net long-term gain or (loss):</b>			
a	Total for year . . . . .	<b>14a</b>		
b	Unrecaptured section 1250 gain (see line 18 of the wrksht.) . . . . .	<b>14b</b>		
c	28% rate gain . . . . .	<b>14c</b>		
<b>15</b>	<b>Total net gain or (loss).</b> Combine lines 13 and 14a . . . . . ▶	<b>15</b>		-3,221.

**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** necessary.

<b>Part IV Capital Loss Limitation</b>	
<b>16</b>	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 . . . . .
<b>16</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.

<b>17</b>	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . . . .	<b>17</b>	
<b>18</b>	Enter the smaller of line 14a or 15 in column (2) but not less than zero . . . . .	<b>18</b>	
<b>19</b>	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) . . . . .	<b>19</b>	
<b>20</b>	Add lines 18 and 19 . . . . .	<b>20</b>	
<b>21</b>	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- . . . ▶	<b>21</b>	
<b>22</b>	Subtract line 21 from line 20. If zero or less, enter -0- . . . . .	<b>22</b>	
<b>23</b>	Subtract line 22 from line 17. If zero or less, enter -0- . . . . .	<b>23</b>	
<b>24</b>	Enter the smaller of the amount on line 17 or \$2,300 . . . . .	<b>24</b>	
<b>25</b>	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23 . . . . .	<b>25</b>	
<b>26</b>	Subtract line 25 from line 24 . . . . .	<b>26</b>	
<b>27</b>	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22 . . . . .	<b>27</b>	
<b>28</b>	Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . . .	<b>28</b>	
<b>29</b>	Subtract line 28 from line 27 . . . . .	<b>29</b>	
<b>30</b>	Multiply line 29 by 15% (.15) . . . . .	<b>30</b>	
<b>31</b>	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) . . . . .	<b>31</b>	
<b>32</b>	Add lines 30 and 31 . . . . .	<b>32</b>	
<b>33</b>	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) . . . . .	<b>33</b>	
<b>34</b>	<b>Tax on all taxable income.</b> Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) . . . . .	<b>34</b>	

Schedule D (Form 1041) 2010

**Continuation Sheet for Schedule D  
(Form 1041)**

► See instructions for Schedule D (Form 1041).

▶ **Attach to Schedule D to list additional transactions for lines 1a and 6a.**

OMB No. 1545-0092

2010

Name of estate or trust

AYERS FOUNDATION

Employer identification number

62-1773033

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**[illegible]

<b>1b Total.</b> Combine the amounts in column (f) Enter here and on Schedule D, line 1b	-3,221.
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**For Paperwork Reduction Act Notice, see the Instructions for Form 1041.**

Schedule D-1 (Form 1041) 2010

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PAGE 45