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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**

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

OMB No 1545-0052

2010

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

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 Baker Foundation		A Employer identification number 63-0843636
Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 10 of the instructions) 256-350-5130
P.O. Box 846		
City or town, state, and ZIP code Decatur AL 35602-0846		
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		C If exemption application is pending, check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 2,402,486		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> 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 <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

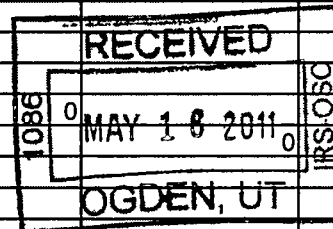
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	593,834			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	8	8		
	4 Dividends and interest from securities	21,465	21,465		
	5 a Gross rents		0		
	b Net rental income or (loss)	0			
	6 a Net gain or (loss) from sale of assets not on line 10	0			
	b Gross sales price for all assets on line 6a	0			
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances	0			
b Less Cost of goods sold	0				
c Gross profit or (loss) (attach schedule)	0				
11 Other income (attach schedule)	1,858	158	0		
12 Total. Add lines 1 through 11	617,165	21,631	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	30,000	3,000		27,000
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)	3,682	500	0	1,000
	b Accounting fees (attach schedule)	0	0	0	0
	c Other professional fees (attach schedule)	15,069	14,573	0	496
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	444	444	0	0
	19 Depreciation (attach schedule) and depletion	0	0	0	
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	0	0	0	0
	24 Total operating and administrative expenses. Add lines 13 through 23	49,195	18,517	0	28,496
	25 Contributions, gifts, grants paid	98,800			98,800
26 Total expenses and disbursements. Add lines 24 and 25	147,995	18,517	0	127,296	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	469,170				
b Net investment income (if negative, enter -0-)		3,114			
c Adjusted net income (if negative, enter -0-)			0		

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

Form **990-PF** (2010)

(HTA)

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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	-930	3,038	3,038
	2	Savings and temporary cash investments	34,833	500,034	500,034
	3	Accounts receivable ▶ 0			
		Less: allowance for doubtful accounts ▶ 0	0	0	0
	4	Pledges receivable ▶ 0			
		Less: allowance for doubtful accounts ▶ 0	0	0	0
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	0	0	0
	7	Other notes and loans receivable (attach schedule) ▶ 0			
		Less: allowance for doubtful accounts ▶ 0	0	0	0
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments—U S and state government obligations (attach schedule)	0	0	0
	b	Investments—corporate stock (attach schedule)	1,295,435	1,295,435	1,899,414
	c	Investments—corporate bonds (attach schedule)	0	0	0
Liabilities	11	Investments—land, buildings, and equipment: basis ▶ 0			
		Less: accumulated depreciation (attach schedule) ▶ 0	0	0	0
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	0	0	0
	14	Land, buildings, and equipment: basis ▶ 0			
		Less: accumulated depreciation (attach schedule) ▶ 0	0	0	0
	15	Other assets (describe ▶)	0	0	0
	16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,329,338	1,798,507	2,402,486
	17	Accounts payable and accrued expenses			
	18	Grants payable			
Net Assets or Fund Balances	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21	Mortgages and other notes payable (attach schedule)	0	0	
	22	Other liabilities (describe ▶)	0	0	
	23	Total liabilities (add lines 17 through 22)	0	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 ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	1,329,338	1,798,507	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see page 17 of the instructions)	1,329,338	1,798,507	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	1,329,338	1,798,507	

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	1,329,338
2	Enter amount from Part I, line 27a	2	469,170
3	Other increases not included in line 2 (itemize) ▶	3	0
4	Add lines 1, 2, and 3	4	1,798,508
5	Decreases not included in line 2 (itemize) ▶ Rounding factor	5	1
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,798,507

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.)
1a				
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	0	0	0	0
b	0	0	0	0
c	0	0	0	0
d	0	0	0	0
e	0	0	0	0
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(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		
a	0	0	0	
b	0	0	0	
c	0	0	0	
d	0	0	0	
e	0	0	0	
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	0
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	0

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.

(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	168,257	1,425,391	0.118043
2008	138,192	2,041,686	0.067685
2007	194,957	2,674,569	0.072893
2006	156,873	2,504,130	0.062646
2005	325,720	2,440,121	0.133485
2 Total of line 1, column (d)			2 0.454752
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 0.090950
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4 1,829,022
5 Multiply line 4 by line 3			5 166,350
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 31
7 Add lines 5 and 6			7 166,381
8 Enter qualifying distributions from Part XII, line 4			8 127,296

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)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		1	62
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			
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	0
3 Add lines 1 and 2		3	62
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	62
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	3,905	
b Exempt foreign organizations—tax withheld at source	6b		
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	3,905	
8 Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	0	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	3,843	
11 Enter the amount of line 10 to be Credited to 2011 estimated tax	11	0	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. (1) On the foundation. <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> AL		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see 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 ▶ N/A	13	X	
14	The books are in care of ▶ Michael W. Curl Telephone no ▶ (256) 350-5130 Located at ▶ P.O. Box 846 Decatur AL ZIP+4 ▶ 35602-0846			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			
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 ▶	16	Yes	No
				X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see 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 ▶ 20 _____, 20 _____, 20 _____, 20 _____		
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	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20 _____, 20 _____, 20 _____, 20 _____		
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	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☒ Yes ☐ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see 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)?5b ☐ XOrganizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 88706b ☐ X**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?7b ☐**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see 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
See Attached Statement		0	0	0
		0	0	0
		0	0	0
		0	0	0
		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 ☐

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

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 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	0
Total. Add lines 1 through 3	0

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	1,729,749
b	Average of monthly cash balances	1b	127,126
c	Fair market value of all other assets (see page 25 of the instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,856,875
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	
3	Subtract line 2 from line 1d	3	1,856,875
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	27,853
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,829,022
6	Minimum investment return. Enter 5% of line 5	6	91,451

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	91,451
2a	Tax on investment income for 2010 from Part VI, line 5	2a	62
b	Income tax for 2010. (This does not include the tax from Part VI)	2b	0
c	Add lines 2a and 2b	2c	62
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	91,389
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	91,389
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	91,389

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	127,296
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	127,296
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)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	127,296

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				91,389
2 Undistributed income, if any, as of the end of 2010.				
a Enter amount for 2009 only			0	
b Total for prior years' 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2010.				
a From 2005	205,793			
b From 2006	28,394			
c From 2007	64,725			
d From 2008	37,453			
e From 2009	97,125			
f Total of lines 3a through e	433,490			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 127,296				
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)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	0			
d Applied to 2010 distributable amount				91,389
e Remaining amount distributed out of corpus	35,907			
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	469,397			
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)	205,793			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	263,604			
10 Analysis of line 9:				
a Excess from 2006	28,394			
b Excess from 2007	64,725			
c Excess from 2008	37,453			
d Excess from 2009	97,125			
e Excess from 2010	35,907			

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
a <i>Paid during the year</i> See attached schedule				98,800
Total			▶ 3a	98,800
b <i>Approved for future payment</i>				
Total			▶ 3b	0

Enter gross amounts unless otherwise indicated.

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)
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[illegible]

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

- | | | | |
|--|-------|-----|----|
| 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | Yes | No |
| a Transfers from the reporting foundation to a noncharitable exempt organization of: | | | |
| (1) Cash | 1a(1) | | X |
| (2) Other assets | 1a(2) | | X |
| b Other transactions: | | | |
| (1) Sales of assets to a noncharitable exempt organization | 1b(1) | | X |
| (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | | X |
| (3) Rental of facilities, equipment, or other assets | 1b(3) | | X |
| (4) Reimbursement arrangements | 1b(4) | | X |
| (5) Loans or loan guarantees | 1b(5) | | X |
| (6) Performance of services or membership or fundraising solicitations | 1b(6) | | X |
| c Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | | X |
| d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. | | | |


[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No
- b** If "Yes," complete the following schedule.

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

Sign Here 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.

Signature of officer or trustee: Michael W. Curre Date: 5/12/11 President Title

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Mark Daniel Maloney		5-2-11		P01249187
	Firm's name ▶ Blackburn, Maloney and Schuppert, LLC			Firm's EIN ▶	63-1190364
	Firm's address ▶ P. O. Box 1469, Decatur, AL 35602-1469			Phone no	(256) 353-7826

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No 1545-0047

2010

Name of the organization

Employer identification number

The Baker Foundation

63-0843636

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 The Baker Foundation	Employer identification number 63-0843636
--	--

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Raymon J. Baker Charitable Lead Annuity Trust P.O. Box 846 Decatur AL 35602-0846 Foreign State or Province: Foreign Country:	\$ 210,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
2	Raymon J. Baker Charitable Remainder Unitrust P.O. Box 846 Decatur AL 35602-0846 Foreign State or Province: Foreign Country:	\$ 383,834	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	 Foreign State or Province: Foreign Country	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	 Foreign State or Province: Foreign Country	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
5	 Foreign State or Province: Foreign Country	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
6	 Foreign State or Province: Foreign Country	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

THE BAKER FOUNDATION
EIN: 63-0843636

2010 FORM 990-PF
PART I, LINE 11
OTHER INCOME

AOL Time Warner Securities Litigation Settlement:	\$ 37.00
 Tyco International Securities Litigation Settlement:	 \$ 121.00
 United States Treasury - Refund of Excise Tax:	 <u>\$ 1,700.00</u>
 Total	 <u><u>\$ 1,858.00</u></u>

THE BAKER FOUNDATION

EIN: 63-0843636

2010 FORM 990-PF

PART I, LINE 16c
OTHER PROFESSIONAL FEES

	(a) <u>Total</u>	(b) Net <u>Investment</u>	(d) <u>Charitable</u>
Regions Bank:	\$ 2,365	\$ 2,365	\$ -0-
Bluecreek Investment:	\$12,317	\$12,071	\$ 246
Oakworth Capital:	\$ 137	\$ 137	\$ -0-
Ken Creekmore:	<u>\$ 250</u>	<u>\$ -0-</u>	<u>\$ 250</u>
Total	<u>\$15,069</u>	<u>\$14,573</u>	<u>\$ 496</u>

THE BAKER FOUNDATION
EIN: 63-0843636

2010 FORM 990-PF
PART II, BALANCE SHEET
LINE 16(c) FAIR MARKET VALUE
TOTAL ASSETS

Oakworth Capital Bank Custody
Account Number 60 00 0158 3 01,
Schedule Attached:

Oakworth Money Market Account-
(Liquidity Income): \$ 11,692.00

Oakworth Money Market Account-
(Liquidity Principal): \$ 388,342.00

Equities: \$ 1,899,414.00

Total \$ 2,299,448.00

Oakworth Capital Bank Checking
Account Number 200007225: \$ 100,000.00

Regions Bank Checking Account
Number 05825393: \$ 3,038.00

Total \$ 2,402,486.00

For the Account of: THE BAKER FOUNDATION - CUSTODY ACCOUNT

Account Number: 60 00 0158 3 01

Date: JANUARY 1, 2010 - DECEMBER 31, 2010

Portfolio Assets Detail

CASH					
Description	Shares	Date Acquired	Total Cost	Current Share Price	Current Mkt Value
INCOME CASH			.00		.00
PRINCIPAL CASH			.00		.00
TOTAL CASH			.00		.00
CASH EQUIVALENTS					
Description	Shares	Date Acquired	Total Cost	Current Share Price	Current Mkt Value
LIQUIDITY INCOME - OAKWORTH MONEY MARKET	11,691.68	11/15/2010	11,691.68	1.000	11,691.68
LIQUIDITY PRIN - OAKWORTH MONEY MARKET	388,342.44	11/15/2010	388,342.44	1.000	388,342.44
TOTAL CASH EQUIVALENTS			400,034.12		400,034.12
EQUITIES					
Description	Shares	Date Acquired	Total Cost	Current Share Price	Current Mkt Value
APPLE INC. COMMON (AAPL)	650.0000	06/07/2007	82,076.07	322.560	209,684.00
BANK OF AMERICA (BAC)	1,660.0000	09/26/2007	83,348.60	13.340	22,144.40
BERKSHIRE HATHAWAY INC CL B (BRK B)	1,000.0000	08/18/2006	63,601.20	80.110	80,110.00
CEPHEID INC (CPHD)	3,770.0000	03/29/2007	45,190.23	22.750	85,767.50

For the Account of: **THE BAKER FOUNDATION - CUSTODY ACCOUNT**

Account Number: 60 00 0158 3 01

Date: JANUARY 1, 2010 - DECEMBER 31, 2010

Portfolio Assets Detail

EQUITIES					
Description	Shares	Date Acquired	Total Cost	Current Share Price	Current Mkt Value
CISCO SYSTEMS INC (CSCO)	3,140.0000 2,200.0000 430.0000 5,770.0000	06/26/1996 06/27/1996 06/26/1996	18,622.83 13,046.00 2,549.90 34,218.73	20.230 20.230 20.230	63,522.20 44,506.00 8,698.90 116,727.10
TAX LOT TOTAL					
CITIGROUP INC (C)	3,756.0000	07/11/1995	43,552.93	4.730	17,765.88
CORNING INC (GLW)	3,440.0000	09/26/2007	83,230.11	19.320	66,460.80
DIRECTV CLASS A (DTV)	1,330.0000	08/18/2006	24,206.00	39.930	53,106.90
GENERAL ELECTRIC CO (GE)	4,800.0000	06/26/1996	69,780.00	18.290	87,792.00
HOME DEPOT INC (HD)	4,300.0000	03/26/1997	53,487.22	35.060	150,758.00
INGERSOLL-RAND PLC (IR)	1,850.0000	02/21/2007	82,011.79	47.090	87,116.50
INTEL CORP (INTC)	6,140.0000 165.0000 6,305.0000	06/26/1996 10/19/2000	55,931.56 6,939.90 62,871.46	21.030 21.030	129,124.20 3,469.95 132,594.15
TAX LOT TOTAL					
ITT INDUSTRIES INC (ITT)	1,360.0000 570.0000 1,930.0000	12/13/2002 05/29/2003	40,201.46 17,972.10 58,173.56	52.110 52.110	70,869.60 29,702.70 100,572.30
TAX LOT TOTAL					
JOHNSON & JOHNSON (JNJ)	1,200.0000	11/30/2004	72,505.44	61.850	74,220.00

For the Account of: **THE BAKER FOUNDATION - CUSTODY ACCOUNT**

Account Number: 60 00 0158 3 01

Date: JANUARY 1, 2010 - DECEMBER 31, 2010

Portfolio Assets Detail

EQUITIES

Description	Shares	Date Acquired	Total Cost	Current Share Price	Current Mkt Value
JP MORGAN CHASE & COMPANY (JPM)	1,825.0000	09/17/2004	72,667.30	42.420	77,416.50
KONINKLIJKE PHILIPS ELEC. (PHG)	2,850.0000	11/30/2004	74,903.99	30.700	87,495.00
L-3 COMMUNICATIONS HOLDINGS INC (LLL)	715.0000	02/13/2002	29,987.24	70.490	50,400.35
MONSANTO CO (MON)	575.0000	07/23/2008	64,370.56	69.640	40,043.00
POTASH CORP OF SASKATCHEWAN (POT)	325.0000 430.0000 755.0000	07/23/2008 11/13/2008	64,694.99 31,149.42 95,844.41	154.830 154.830	50,319.75 66,576.90 116,896.65
TAX LOT TOTAL					
PROASSURANCE CORP (PRA)	1,361.0000 39.0000 1,400.0000	06/27/1996 04/28/2000	16,854.35 482.82 17,337.17	60.600 60.600	82,478.60 2,363.40 84,840.00
TAX LOT TOTAL					
VARIAN MEDICAL SYSTEMS INC (VAR)	455.0000 790.0000 1,245.0000	10/29/2003 09/19/2007	14,656.16 31,279.73 45,935.89	69.280 69.280	31,522.40 54,731.20 86,253.60
TAX LOT TOTAL					
WALT DISNEY PRODUCTIONS (DIS)	1,900.0000	11/15/1995	36,134.63	37.510	71,269.00
TOTAL EQUITIES			1,295,434.53		1,899,413.63
TOTAL ASSETS					2,299,447.75

THE BAKER FOUNDATION

**EIN: 63-0843636
2010 FORM 990-PF**

**PART VII-A, LINE 10
NAMES AND ADDRESS OF
SUBSTANTIAL CONTRIBUTOR**

Raymon J. Baker Charitable Remainder Unitrust
P.O. Box 846
Decatur, Alabama 35602-0846

THE BAKER FOUNDATION
 EIN: 63-0843636
 2010 FORM 990-PF
 PART VIII

INFORMATION ABOUT OFFICERS, DIRECTORS, TRUSTEES,
 FOUNDATION MANAGERS, HIGHLY PAID EMPLOYEES, AND CONTRACTORS

OFFICERS AND BOARD OF DIRECTORS

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted to Position</u>	<u>Compensation</u>	<u>Contributions Employee Benefit Plan & Deferred Compensation</u>	<u>Expense Account Other Allowances</u>
Michael W. Curl P.O. Box 846 Decatur, AL 35602	President Director 5 hours	\$15,000.00	-0-	-0-
Patty McAnnally P.O. Box 846 Decatur, AL 35602	Director 5 hours	\$15,000.00	-0-	-0-
Cindy Strickland P.O. Box 846 Decatur, AL 35602	Secretary Director -0- hours	-0-	-0-	-0-
Marjorie R. Baker 2205 Country Club Rd., S.E. Decatur, AL 35601	Director -0- hours	-0-	-0-	-0-
Becky Wachholz 5051 Yacht Club Rd. Jacksonville, FL 32210	Chair of Board Director -0- hours	-0-	-0-	-0-
Charles R. Paller P.O. Box 846 Decatur, AL 35602	Director -0- hours	-0-	-0-	-0-
Calvin J. Brown P.O. Box 846 Decatur, AL 35602	Director -0- hours	-0-	-0-	-0-

THE BAKER FOUNDATION
2010 FORM 990-PF
PART XV, LINE 3
GRANTS AND
CONTRIBUTIONS

<u>INSTITUTION</u>	<u>RELATIONSHIP</u>	<u>STATUS</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
<u>Line 3a - Paid During the Year</u>				
Phillips Brooks House Association	None	Public	Charitable-Religious	2,500.00
St Vincent's Foundation	None	Public	Charitable-Religious	12,500.00
Educational Research Fdn. For the A.A.F.P.R.S	None	Public	Charitable-Religious	4,000.00
Greenscape	None	Public	Charitable-Religious	500.00
The Foundry	None	Public	Charitable-Religious	1,500.00
Promise Homes	None	Public	Charitable-Religious	2,000.00
Campus Crusade for Christ	None	Public	Charitable-Religious	1,500.00
Boy Scouts	None	Public	Charitable-Religious	1,000.00
Rebuilding Together	None	Public	Charitable-Religious	2,500.00
City Rescue Mission of Jacksonville	None	Public	Charitable-Religious	1,000.00
Decatur-Morgan County Entrepreneurial Center	None	Public	Charitable-Religious	5,000.00
United Way of Central Alabama	None	Public	Charitable-Religious	5,000.00
Hospice	None	Public	Charitable-Religious	2,000.00
The Boiles School	None	Public	Charitable-Religious	1,500.00
American Red Cross	None	Public	Charitable-Religious	1,000.00
JSU Foundation	None	Public	Charitable-Religious	500.00
PACT	None	Public	Charitable-Religious	1,000.00
Decatur City Schools Foundation	None	Public	Charitable-Religious	5,000.00
The Florida Theatre	None	Public	Charitable-Religious	2,500.00
Morgan County Mental Health	None	Public	Charitable-Religious	500.00
Community Foundation of Greater Decatur	None	Public	Charitable-Religious	20,000.00
Carnegie Visual Arts Center	None	Public	Charitable-Religious	5,000.00
American Cancer Society	None	Public	Charitable-Religious	2,500.00
United Way of Morgan County	None	Public	Charitable-Religious	5,000.00
Rescue Me Ministries	None	Public	Charitable-Religious	400.00
Decatur City Schools	None	Public	Charitable-Religious	1,000.00
Decatur Youth Symphony	None	Public	Charitable-Religious	1,000.00
Katie Stepp	None	Public	Charitable-Religious	2,000.00
Calhoun College	None	Public	Scholarship FBO	
			Kim Proctor	2,400.00
University of North Alabama	None	Public	Scholarship FBO	
			Alan Boozer	2,500.00
University of South Alabama	None	Public	Scholarship FBO	
			John Britton Bowling	2,000.00
University of South Alabama	None	Public	Scholarship FBO	
			Katie Stepp	2,000.00
Total Paid During Year				98,800.00