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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

WILLIAM & RUTH PENDLETON MEMORIAL FUND 000032519100
U.S. BANK NATIONAL ASSOCIATION

A Employer identification number

74-2475483

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)

PO BOX 3168

(602) 257-5435

City or town, state, and ZIP code

PORTLAND, OR 97208

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

J Accounting method: ☒ Cash ☐ Accrual

E If private foundation status was terminated

under section 507(b)(1)(A), check here ☐

F If the foundation is in a 60-month termination

under section 507(b)(1)(B), check here ☐of year (from Part II, col. (c), line
16) ▶ \$ 3,725,226.☐ 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)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)	0			
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	100,938	100,938		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	4,773			
b Gross sales price for all assets on line 6a 29,865				
7 Capital gain net income (from Part IV, line 2)		4,773		
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)	592			ATCH 1
12 Total. Add lines 1 through 11	106,303	105,711		
13 Compensation of officers, directors, trustees, etc.	39,276	35,348	0	3,928
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule) ATCH 2	4,200	2,100	0	2,100
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions)				
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)				
24 Total operating and administrative expenses.				
Add lines 13 through 23	43,476	37,448	0	6,028
25 Contributions, gifts, grants paid	216,052			216,052
26 Total expenses and disbursements. Add lines 24 and 25	259,528	37,448	0	222,080
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-153,225			
b Net investment income (if negative, enter -0-)		68,263		
c Adjusted net income (if negative, enter -0-)				

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

JSA

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ENVELOPE
POSTMARK DATE MAY 13 2011SCANNED MAY 19 2011
Operating and Administrative Expenses

10

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	218,365.	90,232.	90,232.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments - U S and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) ATCH 3	1,543,787.	1,518,695.	2,202,500.
	c Investments - corporate bonds (attach schedule) ATCH 4	1,365,454.	1,365,454.	1,432,494.
	11 Investments - land, buildings, and equipment: basis			
Less: accumulated depreciation (attach schedule) ▶				
12 Investments - mortgage loans				
13 Investments - other (attach schedule)				
14 Land, buildings, and equipment: basis				
Less: accumulated depreciation (attach schedule) ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	3,127,606.	2,974,381.	3,725,226.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)		0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	3,127,606.	2,974,381.	
	30 Total net assets or fund balances (see page 17 of the instructions)	3,127,606.	2,974,381.	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	3,127,606.	2,974,381.	

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	3,127,606.
2 Enter amount from Part I, line 27a	2	-153,225.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	2,974,381.
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,974,381.

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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 SEE PART IV SCHEDULE					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2	4,773.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8.			3		

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

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

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

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

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	195,463.	3,160,289.	0.061850
2008	267,296.	3,965,758.	0.067401
2007	270,791.	4,700,252.	0.057612
2006	252,526.	4,523,738.	0.055822
2005	237,976.	4,421,729.	0.053820
2 Total of line 1, column (d)			2 0.296505
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 0.059301
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4 3,450,519.
5 Multiply line 4 by line 3			5 204,619.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 683.
7 Add lines 5 and 6			7 205,302.
8 Enter qualifying distributions from Part XII, line 4 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.			8 222,080.

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		1	683.
Date of ruling or determination letter _____ (attach copy of ruling letter if necessary - see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2		3	683.
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	683.
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a 1,600.		
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	1,600.
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	917.
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax 800. Refunded		11	117.

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 \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? 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?		
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) AZ,		
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

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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?	13	X	
Website address N/A				
14	The books are in care of US BANK C/O KERRY HALL Telephone no. 602-257-5443			
	Located at 101 NORTH 1ST AVENUE #1600 PHOENIX, AZ ZIP + 4 85003			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here	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?	16	Yes	No
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 ▶				

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)?	1b	X
Organizations relying on a current notice regarding disaster assistance check here. ▶ <input type="checkbox"/>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes," list the years ▶		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 22 of the instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

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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**

Organizations relying on a current notice regarding disaster assistance check here ☐

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

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ **6b** ☒

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ **7b**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see 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 5		39,276.	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

Total number of other employees paid over \$50,000 ☐ **NONE**

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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

Total number of others receiving over \$50,000 for professional services **NONE****Part IX-A Summary of Direct Charitable Activities**

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

	Expenses
1 N/A ----- -----	
2 ----- -----	
3 ----- -----	
4 ----- -----	

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

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

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

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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	3,400,559.
b	Average of monthly cash balances	1b	156,677.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0.
d	Total (add lines 1a, b, and c)	1d	3,557,236.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	3,557,236.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions) ATTACHMENT 6	4	106,717.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,450,519.
6	Minimum investment return. Enter 5% of line 5	6	172,526.

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	172,526.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	683.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	683.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	171,843.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	171,843.
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	171,843.

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	222,080.
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	0.
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0.
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	222,080.
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	683.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	221,397.

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				171,843.
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	28,020.			
b From 2006	30,911.			
c From 2007	44,553.			
d From 2008	72,254.			
e From 2009	38,757.			
f Total of lines 3a through e	214,495.			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ 222,080.				
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				171,843.
e Remaining amount distributed out of corpus	50,237.			
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:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	264,732.			
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)	28,020.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	236,712.			
10 Analysis of line 9:				
a Excess from 2006	30,911.			
b Excess from 2007	44,553.			
c Excess from 2008	72,254.			
d Excess from 2009	38,757.			
e Excess from 2010	50,237.			

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)(iii)				
(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).)

N/A

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

N/A

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

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

ATTACHMENT 7

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

APPLICATION FOR SUBMISSION SHOULD BE ACQUIRED FROM TRUSTEE

c Any submission deadlines:

SEPTEMBER 30 OF EACH YEAR

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

ATTACHMENT 8

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i> SEE ATTACHED				216,052.
Total			3a	216,052.
<i>b Approved for future payment</i>				
Total			3b	

FORM 990-PF - PART IV

CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	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)	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					314.	
29,503.		CELGENE CORP - 550 SHARES PROPERTY TYPE: SECURITIES 25,055.				P	03/27/2009	06/29/2010
							4,448.	
48.		EXXON MOBILE CORP - .84 SHARES PROPERTY TYPE: SECURITIES 37.				P	03/27/2009	06/30/2010
							11.	
TOTAL GAIN(LOSS)							<u>4,773.</u>	

ATTACHMENT 1

FORM 990PF, PART I - OTHER INCOME

<u>DESCRIPTION</u>	REVENUE AND EXPENSES <u>PER BOOKS</u>
FEDERAL TAX REFUND	592.
TOTALS	<u>592.</u>

ATTACHMENT 2FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION FEES	4,000.	2,000.	0.	2,000.
TAX SERVICE FEE	200.	100.	0.	100.
TOTALS	4,200.	2,100.	0.	2,100.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 3

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
BOEING CO. - 500 SHS	33,005.	32,630.
EXXON MOBIL CORP - 967 SHS	31,610.	70,707.
GENERAL DYNAMICS - 500 SHS	28,750.	35,480.
GOLDMAN SACHS GROUP - 200 SHS	21,780.	33,632.
SCHLUMBERGER LTD. - 500 SHS	12,642.	41,750.
UNITED TECH CORP - 550 SHS	26,416.	43,296.
FIRST AM. MID - 28728.396 SHS	350,000.	375,767.
ABBOTT LAB - 550 SHS	25,861.	26,351.
AMERICAN TOWER CORP - 800 SHS	25,638.	41,312.
AMGEN - 500 SHS	26,133.	27,450.
APPLE - 250 SHS	26,729.	80,640.
B M C SOFTWARE - 700 SHS	23,435.	32,998.
CVS/CAREMARK - 800 SHS	22,719.	27,816.
CELGENA CORP - 550 SHS	0.	0.
CISCO SYS - 1200 SHS	20,434.	24,276.
EMERSON ELEC - 800 SHS	23,238.	45,736.
EXELON CORP - 600 SHS	27,377.	24,984.
HOME DEPOT - 1000 SHS	23,558.	35,060.
INTEL CORP - 1300 SHS	20,082.	27,339.
JP MORGAN CHASE - 800 SHS	22,982.	33,936.
MCDONALDS CORP - 500 SHS	27,619.	38,380.
MONSANTO CO - 300 SHS	25,733.	20,892.
ORACLE CORP - 1000 SHS	18,128.	31,300.
PEPSICO - 500 SHS	26,264.	32,665.
PFIZER INC - 1800 SHS	25,340.	31,518.
PROCTOR & GAMBLE - 500 SHS	24,429.	32,165.
QUALCOMM INC - 500 SHS	19,574.	24,745.
SCHWAB CHARLES CORP - 1500 SHS	23,233.	25,665.
ST JUDE MED INC - 700 SHS	26,537.	29,925.

FORM 990PF, PART II - CORPORATE STOCK

ATTACHMENT 3 (CONT'D)

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
TARGET CORP - 700 SHS	23,764.	42,091.
X T O ENERGY INC - 800 SHS	0.	0.
ACCENTURE PIC - 800 SHS	22,359.	38,792.
ACE LTD - 500 SHS	20,204.	31,125.
WEATHERFORD INT'L - 2000 SHS	23,280.	45,600.
AMER EUROPACIFIC - 8033.665 SH	210,000.	332,031.
1ST AM. SM CAP - 15170.670 SHS	120,000.	217,699.
ISHARES MSCI EMERG - 3500 SHS	89,842.	166,747.
TOTALS	1,518,695.	2,202,500.

ATTACHMENT 4

FORM 990PF, PART II - CORPORATE BONDS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
METLIFE INC	103,297.	107,083.
HONEYWELL INTL	202,816.	213,898.
WACHOVIA CORP	100,440.	106,649.
JP MORGAN CHASE	202,908.	211,524.
MORGAN STANLEY	97,749.	105,037.
GOLDMAN SACHS GROUP	102,456.	108,891.
NATIONAL RURAL UTIL COOP	202,452.	220,536.
PITNEY BOWES INC	203,336.	206,746.
FIRST AMER HI INC BOND FD	100,000.	101,131.
AMERICAN CENTY INTL BD FD	50,000.	50,999.
TOTALS	<u>1,365,454.</u>	<u>1,432,494.</u>

WILLIAM & RUTH PENDLETON MEMORIAL FUND

74-2475483

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

ATTACHMENT 5

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
WILLIAM A. MILLER PO BOX 3168 PORTLAND, OR 97208	COMMITTEE MEMBER 0.00	0.	0.	0.
DONNA BURT PO BOX 3168 PORTLAND, OR 97208	COMMITTEE MEMBER 0.00	0.	0.	0.
JANET WILSON PO BOX 3168 PORTLAND, OR 97208	COMMITTEE MEMBER 0.00	0.	0.	0.
DON PRIOR PO BOX 3168 PORTLAND, OR 97208	COMMITTEE MEMBER 0.00	0.	0.	0.
US BANK NATIONAL ASSOCIATION PO BOX 3168 PORTLAND, OR 97208	MANAGER 20.00	39,276.	0.	0.
GRAND TOTALS		39,276.	0.	0.

ATTACHMENT 6FORM 990PF, PART X - CASH DEEMED HELD FOR CHARITABLE ACTIVITIES EXPL.

THE FUND IS MANAGED BY US BANK, AN INDEPENDENT CORPORATE TRUSTEE. THE BANK'S POLICY IS TO REQUIRE A CASH BALANCE OF APPROXIMATELY 3% OF THE ASSETS IN ORDER TO FUND CHARITABLE GRANTS AND CONTRIBUTIONS. THIS POLICY IS BASED ON A VARIETY OF FACTORS, WHICH INCLUDE THE SIZE OF INDIVIDUAL GRANTS, THE AGGREGATE ANNUAL GRANT REQUIREMENTS, AND THE SIZE OF THE FUND.

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

KERRY HALL/US BANK
101 N. FIRST AVE. STE. 1600
PHOENIX, AZ 85003
602-257-5435

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS

IT IS THE TRUSTOR'S STRONG DESIRE THAT INCOME FROM THE FUND BE USED TO
BENEFIT QUALIFIED ORGANIZATIONS FORMED AND OPERATED WITHIN THE STATE
OF ARIZONA WHICH PROVIDE SERVICES AND BENEFITS TO CHILDREN AND THE
ELDERLY.

WM. & R. PENDLETON MEMORIAL FUND
74-2475483
12/31/2010

ATTACHMENT TO 990-PF PART XV LINE 3A

NAME	ADDRESS	RELATIONSHIP	STATUS	PURPOSE	AMOUNT
ABOUT CARE, INC	PO BOX 3278	NONE	EXEMPT	GENERAL	5,000
AREA AGENCY ON AGING	1366 E. THOMAS RD., STE 108	NONE	EXEMPT	GENERAL	5,000
BACK TO SCHOOL	P.O. BOX 99	NONE	EXEMPT	GENERAL	5,000
BENEVILLA	16752 N. GREASEWOOD ST.	NONE	EXEMPT	GENERAL	5,000
BOYS & GIRLS CLUB OF GTR SCOTTSDALE	10533 E LAKEVIEW DRIVE	NONE	EXEMPT	GENERAL	10,000
CHANDLER CHRISTIAN COMMUNITY CTR	345 S CALIFORNIA ST	NONE	EXEMPT	GENERAL	4,000
CHRISTIAN CARE MANAGEMENT, INC.	2002 W SUNNYSIDE DR	NONE	EXEMPT	GENERAL	10,000
CHRISTOWN YMCA	5517 N 7TH AVE	NONE	EXEMPT	GENERAL	12,500
CRISIS NURSERY INC	2334 E POLK	NONE	EXEMPT	GENERAL	5,000
DESERT SOUNDS PERFORMING ARTS	P.O. BOX 7526	NONE	EXEMPT	GENERAL	10,000
DREAMCHASER HORSE RESCUE & REHAB INC	48017 N 7TH AVENUE	NONE	EXEMPT	GENERAL	1,000
FAMILY PROMISE -GREATER PHOENIX	7221 E BELLEVIEW ST STE 5	NONE	EXEMPT	GENERAL	4,000
GABRIEL'S ANGELS	1550 E MARYLAND AVE STE 1	NONE	EXEMPT	GENERAL	3,000
INTERFAITH COOPERATIVE MINISTRIES	P.O. BOX 2225	NONE	EXEMPT	GENERAL	10,000
JEWISH FAMILY & CHILDREN'S SERVICE	4747 N 7TH ST. STE 100	NONE	EXEMPT	GENERAL	5,000
MOBILE MEALS OF TUCSON, INC	3003 S COUNTRY CLUB #219	NONE	EXEMPT	GENERAL	10,000
NORAZ POETS	P.O. BOX 1407	NONE	EXEMPT	GENERAL	5,000
PATAGONIA CREATIVE ARTS	P.O. BOX 1248	NONE	EXEMPT	GENERAL	6,000
PHOENIX SYMPHONY GUILD	5328 W. LONE CACTUS DR.	NONE	EXEMPT	GENERAL	16,452
PHOENIX THEATER	100 E MCDOWELL RD	NONE	EXEMPT	GENERAL	5,000
ROSIE'S HOUSE	PO BOX 13446	NONE	EXEMPT	GENERAL	5,000
SAVE THE FAMILY FOUNDATION OF AZ	450 W 4TH PLACE	NONE	EXEMPT	GENERAL	4,000
SOUTHWEST HUMAN DEVELOPMENT	2850 N 24TH STREET	NONE	EXEMPT	GENERAL	5,000
ST MARY'S FOOD BANK	2831 N 31ST AVENUE	NONE	EXEMPT	GENERAL	4,000
TREMBLE CLEFS	1206 E HARBOR VIEW DR	NONE	EXEMPT	GENERAL	5,500
TUCSON CHILDREN'S MUSEUM	200 S 6TH AVENUE	NONE	EXEMPT	GENERAL	2,500
TUCSON OASIS	2009 E RIVER RD	NONE	EXEMPT	GENERAL	5,000
TSUNAMI ON THE SQUARE	PO BOX 2570	NONE	EXEMPT	GENERAL	4,400
UMOM	3333 E VAN BUREN	NONE	EXEMPT	GENERAL	2,000
UNIV OF ARIZONA FNDTN UA PRESENTS	888 N EUCLID, ROOM 203	NONE	EXEMPT	GENERAL	2,500
VALLEY YOUTH THEATRE	807 E. THIRD ST	NONE	EXEMPT	GENERAL	5,000
VERDE VALLEY SANCTUARY	P.O. BOX 595	NONE	EXEMPT	GENERAL	2,200
VICAP	P O. BOX 3004	NONE	EXEMPT	GENERAL	3,000
WASTE NOT	1700 NORTH GRANITE REEF	NONE	EXEMPT	GENERAL	4,000
YAVAPAI REGIONAL MED CENTER FNDTN	1003 WILLOW CREEK RD	NONE	EXEMPT	GENERAL	20,000
YWCA MCOPA CNTY VALLEY WST SR CTR	755 E WILLET TA STREET	NONE	EXEMPT	GENERAL	5,000
TOTAL					216,052