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

2010

Department of the Treasury
Internal Revenue Service

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

For calendar year 2010, or tax year beginning

, 2010, and ending

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

David E. Gallo Foundation
P.O. Box 1130
Modesto, CA 95353

A Employer identification number
77-0476093
 B Telephone number (see the instructions)
(209) 341-3788
 C If exemption application is pending, check here ►
 D 1 Foreign organizations, check here ►
 2 Foreign organizations meeting the 85% test, check here and attach computation ►
 E If private foundation status was terminated under section 507(b)(1)(A), check here ►
 F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ►

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation
 I Fair market value of all assets at end of year (from Part II, column (c), line 16) J Accounting method Cash Accrual
 ► \$ 6,185,664. (Part I, column (d) must be on cash basis)

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
R E V E N U E	1 Contributions, gifts, grants, etc, received (att sch)	1,000,000.			
	2 Ck ► <input type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	18.	18.		
	4 Dividends and interest from securities	162,517.	162,517.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	109,198.			
	b Gross sales price for all assets on line 6a	502,563.			
	7 Capital gain net income (from Part IV, line 2)		109,198.		
	8 Net short-term capital gain				
	9 Income modifications				
10a Gross sales less returns and allowances					
b Less Cost of goods sold	2011				
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	1,271,733.	271,733.	0.		
C A N N E 	13 Compensation of officers, directors, trustees, etc	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch) See St 1	9,124.			
	c Other prof fees (attach sch) See St 2	12,540.	12,540.		
	17 Interest				
	18 Taxes (attach schedule) See Stm 3	1,531.	1,531.		
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) See Statement 4	42.			
	24 Total operating and administrative expenses. Add lines 13 through 23	23,237.	14,071.		
25 Contributions, gifts, grants paid Part XV	262,050.			262,050.	
26 Total expenses and disbursements. Add lines 24 and 25	285,287.	14,071.	0.	262,050.	
27 Subtract line 26 from line 12: a Excess of revenue over expenses and disbursements	986,446.				
b Net investment income (if negative, enter -0-)		257,662.			
c Adjusted net income (if negative, enter -0-)			0.		

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	148,211.	90,746.	90,746.
	3	Accounts receivable			
		Less: allowance for doubtful accounts ►			
	4	Pledges receivable			
		Less: allowance for doubtful accounts ►			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7	Other notes and loans receivable (attach sch) ►			
		Less: allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U.S. and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule)	4,382,728.	5,418,888.	6,094,918.
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis			
	Less accumulated depreciation (attach schedule) ►				
12	Investments – mortgage loans				
13	Investments – other (attach schedule)				
14	Land, buildings, and equipment: basis				
	Less: accumulated depreciation (attach schedule) ►				
15	Other assets (describe ►)				
16	Total assets (to be completed by all filers – see instructions Also, see page 1, item I)	4,530,939.	5,509,634.	6,185,664.	
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ►)			
	23	Total liabilities (add lines 17 through 22)	0.	0.	
NET ASSETS	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ► <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	4,530,939.	5,509,634.	
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see the instructions)	4,530,939.	5,509,634.	
	31	Total liabilities and net assets/fund balances (see the instructions)	4,530,939.	5,509,634.	

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	4,530,939.
2	Enter amount from Part I, line 27a	2	986,446.
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	5,517,385.
5	Decreases not included in line 2 (itemize) ► <u>See Statement 5</u>	5	7,751.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	5,509,634.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)			(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a Publicly Traded Securities			P	Various	Various
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 502,563.		393,365.	109,198.		
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))		
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any			
a			109,198.		
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	109,198.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0- in Part I, line 8		3	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

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2009	250,104.	4,267,086.	0.058612
2008	241,600.	5,088,476.	0.047480
2007	385,250.	6,007,201.	0.064131
2006	212,080.	5,796,692.	0.036586
2005	180,650.	5,484,294.	0.032940
2 Total of line 1, column (d)			2 0.239749
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 0.047950
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4 5,563,054.
5 Multiply line 4 by line 3			5 266,748.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 2,577.
7 Add lines 5 and 6			7 269,325.
8 Enter qualifying distributions from Part XII, line 4			8 262,050.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter 'N/A' on line 1.	
Date of ruling or determination letter _____ (attach copy of letter if necessary – see instr.)	
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b	1 5,153.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)	
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) Add lines 1 and 2	2 0.
3 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0- Credits/Payments:	3 5,153.
a 2010 estimated tax pmts and 2009 overpayment credited to 2010	4 0.
b Exempt foreign organizations – tax withheld at source	5 5,153.
c Tax paid with application for extension of time to file (Form 8868)	
d Backup withholding erroneously withheld	
7 Total credits and payments Add lines 6a through 6d	7 5,184.
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 0.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10 31.
11 Enter the amount of line 10 to be Credited to 2011 estimated tax ► 31. Refunded ► 11 0.	

Part VII-A Statements Regarding Activities

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?

	Yes	No
1a	X	
1b	X	
1c	X	

b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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.

c Did the foundation file **Form 1120-POL** for this year?

1a		
1b		
1c		
2		
3		

d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

2 Has the foundation engaged in any activities that have not previously been reported to the IRS?

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

If 'Yes,' attach a detailed description of the activities

1a		
1b		
1c		
2		
3		

4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		
1b		
1c		
2		
3		

1a		

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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 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>Richard M. Beal</u> Telephone no ► <u>(209) 341-3788</u> Located at ► <u>600 Yosemite Blvd. Modesto CA</u> ZIP + 4 ► <u>95354</u>		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 — Check here and enter the amount of tax-exempt interest received or accrued during the year	N/A	► <u>15</u> N/A
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country ►	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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	N/A
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If 'Yes,' list the years ► <u>20__ , 20__ , 20__ , 20__</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement — see the instructions)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► <u>20__ , 20__ , 20__ , 20__</u>		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If 'Yes,' did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (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 instructions)

 Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

 Yes No

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?

5b N/A

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

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A 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 8870.

6b 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?

N/A

7b

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

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Mary C. Gallo 600 Yosemite Blvd. Modesto, CA 95354	Chair, Direc 4.00	0.	0.	0.
Theresa M. Gallo 600 Yosemite Blvd. Modesto, CA 95354	Secty, Direc 0	0.	0.	0.
Christopher D. Gallo 600 Yosemite Blvd. Modesto, CA 95354	CFO, Directo 0	0.	0.	0.

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

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

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

►

0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

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

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	<u>N/A</u>	
2		
3		
4		

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

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

RAA

300

Form 990-PF (2010)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes	
a	Average monthly fair market value of securities	1a 5,517,832.
b	Average of monthly cash balances	1b 129,939.
c	Fair market value of all other assets (see instructions)	1c
d	Total (add lines 1a, b, and c)	1d 5,647,771.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.
2	Acquisition indebtedness applicable to line 1 assets	2 0.
3	Subtract line 2 from line 1d	3 5,647,771.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4 84,717.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5 5,563,054.
6	Minimum investment return. Enter 5% of line 5	6 278,153.

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

1	Minimum investment return from Part X, line 6	1 278,153.
2a	Tax on investment income for 2010 from Part VI, line 5	2a 5,153.
b	Income tax for 2010. (This does not include the tax from Part VI)	2b
c	Add lines 2a and 2b	2c 5,153.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 273,000.
4	Recoveries of amounts treated as qualifying distributions	4
5	Add lines 3 and 4	5 273,000.
6	Deduction from distributable amount (see instructions)	6
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7 273,000.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes	
a	Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	1a 262,050.
b	Program-related investments – total from Part IX-B	1b
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2
3	Amounts set aside for specific charitable projects that satisfy the:	
a	Suitability test (prior IRS approval required)	3a
b	Cash distribution test (attach the required schedule)	3b
4	Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4 262,050.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6 262,050.

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 instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				273,000.
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				
b From 2006				
c From 2007	98,138.			
d From 2008				
e From 2009	39,542.			
f Total of lines 3a through e	137,680.			
4 Qualifying distributions for 2010 from Part XII, line 4. ► \$ 262,050.			0.	
a Applied to 2009, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2010 distributable amount			262,050.	
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	10,950.			10,950.
6 Enter the net total of each column as indicated below:	126,730.			
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5		0.		
b Prior years' undistributed income. Subtract line 4b from line 2b			0.	
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount – see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	126,730.			
10 Analysis of line 9:				
a Excess from 2006	87,188.			
b Excess from 2007				
c Excess from 2008				
d Excess from 2009	39,542.			
e Excess from 2010				

BAA

Form 990-PF (2010)

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

N/A

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

1 Information Regarding Foundation Managers:

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

See Statement 7

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

None

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

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

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

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

c Any submission deadlines

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

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

Recipient 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 Schedule Attached			See Schedule Attached	262,050.
Total			► 3a	262,050.
<i>b Approved for future payment</i>				
Total			► 3b	

Part XVI-A. Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see the instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	18.	
4 Dividends and interest from securities			14	162,517.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	109,198.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				271,733.	
13 Total. Add line 12, columns (b), (d), and (e)				271,733.	

(See worksheet in line 13 instructions to verify calculations)

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

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

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting foundation to a noncharitable exempt organization of:

- (1) Cash
- (2) Other assets

b Other transactions

- (1) Sales of assets to a noncharitable exempt organization
- (2) Purchases of assets from a noncharitable exempt organization
- (3) Rental of facilities, equipment, or other assets
- (4) Reimbursement arrangements
- (5) Loans or loan guarantees
- (6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

	Yes	No
1a (1)	X	
1a (2)	X	
1b (1)	X	
1b (2)	X	
1b (3)	X	
1b (4)	X	
1b (5)	X	
1b (6)	X	
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.

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

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
N/A		

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

Sign
Here

and complete Declaration of preparer (other than taxpayer)
Mary C. Sallo
(nature of officer or trustee)

8/16/11

Chair, Director

Signature of filer or preparer		Date	File
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date
	Margaret Armstrong, CPA	Margaret Armstrong, CPA	8/10/11
	Firm's name	► TAX AND FINANCIAL SERVICES	
Firm's address	► PO BOX 1130 MODESTO, CA 95353-1130		
	Firm's EIN ► 94-1009696		Phone no (209) 341-3509
	Check if <input type="checkbox"/> if self-employed		PTIN P00022850

BAA

Form 990-PF (2010)

Schedule B
(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service

OMB No 1545-0047

Schedule of Contributors

► Attach to Form 990, 990-EZ, or 990-PF

2010

Name of the organization

David E. Gallo Foundation

Employer identification number

77-0476093

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

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 their 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).

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990,
990EZ, or 990-PF.****Schedule B** (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization

David E. Gallo Foundation

Employer identification number

77-0476093

Part I Contributors (see instructions)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	E & J Gallo Winery 600 Yosemite Blvd Modesto, CA 95354	\$ 1,000,000.	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)
		\$	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)
		\$	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)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization

David E. Gallo Foundation

Employer identification number

77-0476093

Part II Noncash Property (see instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	N/A		
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	

BAA

Name of organization

David E. Gallo Foundation

Employer identification number

77-0476093

Part III Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete cols (a) through (e) and the following line entry

For organizations completing Part III, enter total of exclusively religious, charitable, etc, contributions of \$1,000 or less for the year. (Enter this information once. See instructions.)

► \$

N/A

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
N/A			
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

David E. Gallo Foundation

77-0476093

Statement 1
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Bookkeeping Fees	\$ 8,189.			
Tax Accounting Fees	935.			
Total	<u>\$ 9,124.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Statement 2
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment Fees	\$ 12,540.	\$ 12,540.		
Total	<u>\$ 12,540.</u>	<u>\$ 12,540.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Statement 3
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Foreign Tax on Dividends	\$ 1,531.	\$ 1,531.		
Total	<u>\$ 1,531.</u>	<u>\$ 1,531.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Statement 4
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Bank Charges	\$ 12.			
State Filing Fees	30.			
Total	<u>\$ 42.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

2010

Federal Statements

Page 2

David E. Gallo Foundation

77-0476093

Statement 5
Form 990-PF, Part III, Line 5
Other Decreases

Basis Adjustment	\$	7,751.
Total	\$	<u>7,751.</u>

Statement 6
Form 990-PF, Part VII-A, Line 10
Substantial Contributors During the Tax Year

<u>Name of Substantial Contributor</u>	<u>Address of Substantial Contributor</u>
E & J Gallo Winery	600 Yosemite Blvd Modesto, CA 95354

Statement 7
Form 990-PF, Part XV, Line 1a
Foundation Managers - 2% or More Contributors

Mary C. Gallo
Theresa M. Gallo
Christopher D. Gallo

DAVID E GALLO FOUNDATION

77-0476093

12/31/2010

FORM 990-PF, PART XV, LINE 3(a), GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

- ALL CONTRIBUTIONS MADE DURING THE YEAR WERE FOR GENERAL USE IN CARRYING OUT CHARITABLE, RELIGIOUS, AND EDUCATIONAL ACTIVITIES
- NONE OF THE RECIPIENTS ARE INDIVIDUALS RELATED IN ANY WAY TO A FOUNDATION MANAGER OR SUBSTANTIAL CONTRIBUTOR
- NONE OF THE RECIPIENTS ARE PRIVATE FOUNDATIONS

RECIPIENT	AMOUNT
Charitable Contributions	
AM BROTHERS FOR THE BLIND P O BOX 7481, HALETHORPE, MD 21227-0481	1,000 00
AM INSTITUTE FOR CANCER RESEARCH P O BOX 97167, WASHINGTON DC 20090-7167	450 00
CANCER RESEARCH FNDTN OF AMERICA P O BOX 1498, ALEXANDRIA, VA 22313-9933	1,000 00
CATHOLIC RELIEF SERVICE 1101 N RIVER ROAD, DES PLAINES, IL 60016	2,500 00
CENTER FOR HUMAN SERVICES 1700 McHenry VILLAGE WAY, MODESTO, CA 95350	2,500 00
CHILDRENS CRISIS CENTER P O Box 1062, Modesto, CA 95363	2,500 00
COMMUNITY HOSPICE INC 601 McHenry Ave, Modesto, CA 95350-5443	5,000 00
CONSERVATION INTERNATIONAL 1919 M Street NW Suite 600, Washington, DC 20036	15,000 00
COVENANT HOUSE CALIFORNIA Dept 2719, Los Angeles, CA 90084-2719	2,500 00
DAUGHTERS OF CHARITY FOUNDATION 3131 WEST 3RD STREET, LOS ANGELES, CA 90057	5,000 00
DOCTORS MEDICAL CENTER FOUNDATION 3101 McHENRY AVENUE, MODESTO, CA 95350	1,500 00
DOCTORS WITHOUT BORDERS USA P O BOX 110, NEW YORK, NY 10277-1218	2,500 00
EPILEPSY FOUNDATION OF AMER 8301 Professional Place East 2nd Floor, Landover, MD 20785	2,500 00
ETERNAL WORD TELEISON NETWORK 5817 OLD LEEDS ROAD, BIRMINGHAM, AL 35210-2198	3,500 00
FOOD FOR THE POOR BLDG 4 550 SW 12TH AVE, DEERFIELD BEACH, FL 33442	3,500 00
GOOD COUNSEL INC P O BOX 6068, HOBOKEN, NJ 07030	5,000 00
HANOT FOUNDATION INC P O BOX 950, LOCKEFORD, CA 95237-0950	500 00
HOSPICE OF SAN JOAQUIN 3888 Pacific Ave, Stockton, CA 95204	5,000 00
INTER-FAITH MINISTRIES 120 Kerr Avenue, Modesto, CA 95354	2,500 00
KVIE INC P O BOX 669, SACRAMENTO, CA 95812-0006	15,000 00

DAVID E GALLO FOUNDATION

77-0476093

12/31/2010

FORM 990-PF, PART XV, LINE 3(a), GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

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- NONE OF THE RECIPIENTS ARE INDIVIDUALS RELATED IN ANY WAY TO A FOUNDATION MANAGER OR SUBSTANTIAL CONTRIBUTOR
- NONE OF THE RECIPIENTS ARE PRIVATE FOUNDATIONS

RECIPIENT	AMOUNT
MAKE A WISH FOUNDATION OF AMERICA 3841 N Freeway Blvd , Suite 185, Sacramento, CA 95834	1,000 00
MEMORIAL HOSPITAL FOUNDATION 1329 SPANOS COURT, SUITE C2, MODESTO, CA 95355	1,500 00
MODESTO SYMPHONY ORCHESTRA 3509 COFFEE RD, SUITE D1, MODESTO, CA 95355	10,000 00
MODESTO UNION GOSPEL MISSION P O BOX 1203, MODESTO, CA 95353	2,500 00
MUSCULAR DYSTROPHY ASSOCIATION P O BOX 78342, PHOENIX, AZ 85062-8342	2,000 00
NATL ARBOR DAY FOUNDATION 211 N 12th Street, Lincoln, NE 68508	500 00
NATL FEDERATION OF THE BLIND 1800 Johnson Street, Baltimore, MD 21230	1,500 00
NATL FOUNDATION FOR CANCER RESEARCH PO Box 96017, Washington DC 20077-7412	500 00
NATURE CONSERVANCY INC 4245 N Fairfax Dr , Suite 100, Arlington, VA 22203-1606	500 00
OVARIAN CANCER ALLIANCE OF CALIF 3900 PELANDALE SUITE 420, MODESTO, CA 95356	250 00
PACIFIC HORTICULTURAL FOUNDATION P O Box 485, Berkeley, CA 94701	500 00
PARENT RESOURCE CENTER 811 5TH STREET, MODESTO, CA 95351	2,000 00
SMILE TRAIN 245 FIFTH AVE SUITE 2201, NEW YORK, NY 10016	500 00
SPECIAL OLYMPICS P O BOX 5130, SAN JOSE, CA 95150-5130	300 00
ST JUDE CHLDRN'S RSRCH HOSP 501 St Jude Place, Memphis, TN 38105-1942	2,500 00
STANISLAUS WILDLIFE CARE CENTER P O BOX 298, HUGHSON, CA 95326	450 00
SUSAN G KOMEN BREAST CANCER P O Box 224523, Dallas, TX 75222	1,000 00
TOWNSEND OPERA PLAYERS P O BOX 4519, MODESTO, CA 95352-4519	8,000 00
UNICEF P O BOX 97294, WASHINGTON, DC 20077-7660	500 00
Total Chantable Contributions	<u>114,950 00</u>

Total Chantable Contributions 114,950 00

DAVID E GALLO FOUNDATION

77-0476093

12/31/2010

FORM 990-PF, PART XV, LINE 3(a), GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

- ALL CONTRIBUTIONS MADE DURING THE YEAR WERE FOR GENERAL USE IN CARRYING OUT CHARITABLE, RELIGIOUS, AND EDUCATIONAL ACTIVITIES
- NONE OF THE RECIPIENTS ARE INDIVIDUALS RELATED IN ANY WAY TO A FOUNDATION MANAGER OR SUBSTANTIAL CONTRIBUTOR
- NONE OF THE RECIPIENTS ARE PRIVATE FOUNDATIONS

RECIPIENT	AMOUNT
Religious	
CARMELITE MONASTERY 1101 N RIVER ROAD, DES PLAINES, IL 60016	1,000 00
DAUGHTERS OF ST PAUL INC 50 ST PAULS AVENUE, JAMAICA PLAIN, MA 02130-3491	1,000 00
FRANCISCAN FRIARS OF THE ATONEMENT P O BOX 301, GARRISON, NY 10524-0301	5,000 00
FRANCISCAN SISTERS OF THE ATONEMENT GRAYMOOR 41 OLD HIGHLAND TURNPIKE, GARRISON, NY 10524	2,500 00
OBLATES OF ST FRANCIS De SALES 2043 Parkside Blvd , Toledo, Ohio 43607-1597	3,600 00
SISTERS OF THE HOLY CROSS 207 ROSARY CONVENT, NOTRE DAME, IN 46556-5013	10,000 00
ST ELIZABETH'S CHURCH 810 North Hwy 118, Central Valley, UT 84754	1,000 00
ST JOSEPHS CHURCH 1813 OAKDALE RD, MODESTO, CA 95355	72,000 00
ST VINCENT DE PAUL SOCIETY ST JOSEPH'S 1813 OAKDALE ROAD, MODESTO, CA 95355	2,000 00
ST VINCENT DE PAUL SOCIETY ST FRANCES OF ROME 2827 TOPEKA ST, RIVERBANK, CA 95367	1,000 00
Total Religious	<u>99,100 00</u>
Educational	
CLARETIAN TEACHING MINISTRY 20610 MANHATTAN PLACE SUITE 120, TORRANCE, CA 90501	16,000 00
HOWARD TRAINING CENTER ARC OF STAN CO - 1424 STONUM ROAD, MODESTO, CA 95351	1,000 00
MSGR W P KENNEDY EDUC FOUNDATION OUR LADY OF FATIMA SCHOOL, 501 W GRANGER AVE, MODESTO, CA 95350	5,000 00
LASALLIAN EDUCATION FOUNDATION 465 CALIFORNIA ST SUITE 1020, SAN FRANCISCO, CA 94104	1,000 00
MODESTO JUNIOR COLLEGE FNDTN 435 COLLEGE AVE, MODESTO, CA 95350	5,000 00
NOTRE DAME DE NAMUR UNIVERSITY 1500 RALSTON AVENUE, BELMONT, CA 94002-1908	10,000 00
UNIV OF SAN FRANCISCO 2130 FULTON STREET, SAN FRANCISCO, CA 94117-1080	10,000 00
Total Educational	<u>48,000 00</u>
GRAND CONTRIBUTION TOTALS	262,050 00

DAVID E GALLO FOUNDATION

77-0476093

12/31/2010

FORM 990, PART II, LINE 10(b), INVESTMENTS - CORPORATE STOCK

SHARES	ISSUE	COST	MARKET VALUE
157,437.119	DODGE & COX INCOME FUND	1,821,010.40	2,082,893.08
5,738	AEGON NV	43,714.14	35,173.94
1,700	AMGEN INC	82,745.08	93,330.00
600	AOL INC	15,335.43	14,226.00
1,050	BAKER HUGHES INC	32,651.89	60,028.50
3,000	BANK NEW YORK MELLON CORP	81,625.48	90,600.00
1,600	BB&T CORP	37,120.74	42,064.00
750	BMC SOFTWARE INC	17,842.24	35,355.00
5,700	BOSTON SCIENTIFICE CORP	60,456.29	43,149.00
1,800	CADENCE DESIGN SYSTEM INC	7,143.50	14,868.00
2,800	CAPITAL ONE FINL CORP	103,704.18	119,168.00
800	CAREFUSION CORP	23,505.93	21,845.00
600	CARMAX INC	11,513.76	19,128.00
1,628	CEMEX	30,523.29	17,435.88
842	CHEVRON CORP	41,372.28	76,832.50
7,037	COMCAST CORP	119,781.84	154,602.89
800	COMPUTER SCIENCES CORP	28,685.58	39,680.00
1,500	COMPUWARE CORP	6,704.10	17,505.00
650	COVIDIEN LTD	25,054.87	29,679.00
200	CREDIT SUISSE GROUP	10,913.54	8,082.00
300	DIAGEO	19,887.98	22,299.00
1,000	DISH NETWORK CORP	22,123.87	19,660.00
800	DOMTAR CORP	11,903.97	11,995.36
2,300	DOW CHEM CO	62,949.20	78,522.00
200	DUN & BRADSTREET CORP	13,879.02	16,418.00
2,400	EBAY INC	64,851.62	66,792.00
2,000	ELECTRONIC ARTS INC	37,372.36	32,760.00
2,200	ERICSSON	22,807.28	25,366.00
1,150	FEDEX CORP	75,113.89	106,961.50
7,200	GENERAL ELEC CO	154,753.65	131,688.00
1,200	GENWORTH FINL INC	18,986.35	15,768.00
300	GILEAD SCIENCES INC	9,845.61	10,872.00
2,300	GLAXOSMITHKLINE PLC	100,929.01	90,206.00
3,800	HEWLETT PACKARD CO	92,894.35	159,980.00
1,700	HOME DEPOT INC	50,110.16	59,602.00
637	HSBC HLDGS PLC	41,082.08	32,512.48
1,800	INTERPUBLIC GROUP COS INC	18,438.94	19,116.00
200	LIBERTY GLOBAL INC SER A	7,478.68	7,076.00
200	LIBERTY GLOBAL INC SER C	6,362.31	6,778.00
2,475	LIBERTY MEDIA HLDG CORP - LINT A	6,692.12	39,030.75
400	LEGG MASON INC	17,866.38	14,508.00
400	LOEWS CORP	14,984.00	15,564.00
2,300	MAXIM INTERGRATED PRODS INC	32,175.94	54,326.00
500	McGRAW-HILL COMPANIES INC	17,409.40	18,205.00
500	MEDTRONIC INC	18,743.76	18,545.00
3,100	MERCK & CO INC	90,594.12	111,724.00
1,100	MOLEX INC	18,303.58	20,757.00
11,900	MOTOROLA INC	140,053.81	107,933.00
7,300	NEWS CORP	122,331.43	106,288.00
2,600	NOKIA CORP	30,261.50	26,832.00

DAVID E GALLO FOUNDATION

77-0476093

12/31/2010

FORM 990, PART II, LINE 10(b), INVESTMENTS - CORPORATE STOCK

SHARES	ISSUE	COST	MARKET VALUE
1,900	NOVARTIS A G	101,816 39	112,005 00
1,000	OCCIDENTAL PETROLEUM CORP	25,914 17	98,100 00
2,800	PANASONIC CORP	35,989 52	39,480 00
5,750	PFIZER INC	99,116 16	100,682 50
1,000	PITNEY BOWES INC	29,360 58	24,180 00
1,100	ROCHE HOLDINGS LTD	39,733 78	40,315 00
300	ROYAL DUTCH SHELL PCL	14,135 94	20,034 00
2,750	SANOFI-AVENTIS	102,633 18	88,632 50
1,650	SCHLUMBERGER LTD	74,720 13	137,775 00
2,300	SCHWAB CHARLES CORP	38,967 05	39,353 00
2,200	SLM CORP	43,809 45	27,698 00
1,800	SONY CORP	57,749 26	64,278 00
8,600	SPRINT CORP	45,562 53	36,378 00
700	SUNTRUST BKS INC	14,488 65	20,657 00
3,700	SYMANTEC CORP	56,100 18	61,938 00
1,300	SYNOPSYS INC	28,634 33	34,983 00
1,052	TIME WARNER CABLE INC	49,305 00	69,463 56
3,100	TIME WARNER INC	99,135 64	99,727 00
500	Travelers COS INC	17,582 20	27,855 00
1,450	TYCO ELECTRONICS LTD	43,016 65	51,330 00
750	TYCO INT'L LTD	29,559 99	31,080 00
800	US BANKCORP DEL	18,459 82	21,576 00
2,600	VODAFONE GROUP	56,111 07	68,744 00
500	VULCAN MATLS CO	26,858 14	22,180 00
750	WAL-MART STORES INC	35,730 94	40,447 50
1,200	WALGREEN CO	38,188 82	46,752 00
4,365	WELLS FARGO & CO	209,444 24	135,271 35
6,100	XEROX CORP	44,173 30	70,272 00
TOTALS		5,418,868 04	6,094,918 29

Application for Extension of Time To File an Exempt Organization Return

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

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

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

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

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

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

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

Type or print File by the due date for filing your return. See instructions	<p>Name of exempt organization David E. Gallo Foundation</p> <p>Number, street, and room or suite number. If a P O box, see instructions P.O. Box 1130</p> <p>City, town or post office, state, and ZIP code. For a foreign address, see instructions Modesto, CA 95353</p>	Employer identification number 77-0476093
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Enter the Return code for the return that this application is for (file a separate application for each return)

04

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

- The books are in the care of ► Richard M. Beal

Telephone No. ► (209) 341-3788

FAX No ►

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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 8/15, 2011, to file the exempt organization return for the organization named above.

The extension is for the organization's return for:

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	5,153.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	5,184.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

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

BAA For Paperwork Reduction Act Notice, see Instructions.

Form 8868 (Rev. 1-2011)