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Form **990-PF**

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

OMB No 1545-0052

2010Department 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 , and ending

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

Name of foundation

HERBERT A. TEMPLETON FOUNDATION

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

1717 SW PARK AVENUE, SUITE 1302

Room/suite

City or town, state, and ZIP code

PORTLAND**OR 97201-3267**H Check type of organization ☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at

end of year (from Part II, col (c),

line 16) **\$ 19,793,664** (Part I, column (d) must be on cash basis)J Accounting method ☒ Cash ☐ Accrual☐ Other (specify)

A Employer identification number

93-0505586

B Telephone number (see page 10 of the instructions)

503-223-0036C 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 ☐**Part I**

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

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)	290,000			
	2	Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3	Interest on savings and temporary cash investments	23	23		
	4	Dividends and interest from securities	730,782	730,782		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	780,824			
	b	Gross sales price for all assets on line 6a 13,132,883				
	7	Capital gain net income (from Part IV, line 2)		780,824		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns & allowances				
Operating and Administrative Expenses	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	Total. Add lines 1 through 11	1,801,629	1,511,629	0	
	13	Compensation of officers, directors, trustees, etc	38,000			38,000
	14	Other employee salaries and wages	18,299			18,299
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule) SEE STMT 1	1,925	963		962
	b	Accounting fees (attach schedule) STMT 2	8,110	4,055		4,055
	c	Other professional fees (attach schedule) STMT 3	69,837	69,837		
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions) STMT 4	13,454	4,191		6,080
	19	Depreciation (attach schedule) and depletion STMT 5	120			
	20	Occupancy	24,782			24,782
	21	Travel, conferences, and meetings				
	22	Printing and publications	1,928			1,928
	23	Other expenses (att. sch.) STMT 6	2,114			2,114
	24	Total operating and administrative expenses. Add lines 13 through 23	178,569	79,046	0	96,220
	25	Contributions, gifts, grants paid	787,034			787,034
	26	Total expenses and disbursements. Add lines 24 and 25	965,603	79,046	0	883,254
SCANNED BY DAA	27	Subtract line 26 from line 12				
		Excess of revenue over expenses and disbursements	836,026			
		Net investment income (if negative, enter -0-)		1,432,583		
SCANNED BY DAA		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				28,150	41,901	41,901
2	Savings and temporary cash investments				2,667,643	1,589,525	1,589,525
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 ▶			0			
8	Inventories for sale or use						
9	Prepaid expenses and deferred charges						
10a	Investments—U.S. and state government obligations (attach schedule) STMT 7					2,875,814	2,891,440
b	Investments—corporate stock (attach schedule) SEE STMT 8				13,339,436	11,272,611	11,900,334
c	Investments—corporate bonds (attach schedule) SEE STMT 9				2,253,171	3,326,701	3,361,954
11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶						
12	Investments—mortgage loans						
13	Investments—other (attach schedule)						
14	Land, buildings, and equipment basis ▶ 8,510 Less accumulated depreciation (attach sch) ▶ STMT 10 7,518				295	992	8,510
15	Other assets (describe ▶)						
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)				18,288,695	19,107,544	19,793,664

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	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 ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.						
27	Capital stock, trust principal, or current funds				18,288,695	19,107,544	
28	Paid-in or capital surplus, or land, bldg, and equipment fund						
29	Retained earnings, accumulated income, endowment, or other funds						
30	Total net assets or fund balances (see page 17 of the instructions)				18,288,695	19,107,544	
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)				18,288,695	19,107,544	

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	18,288,695
2	Enter amount from Part I, line 27a	2	836,026
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	19,124,721
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 11	5	17,177
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	19,107,544

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 DETAIL ATTACHED	P	VARIOUS	VARIOUS
b	SEE DETAIL ATTACHED	P	VARIOUS	VARIOUS
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 8,077,854		7,548,528	529,326
b 4,936,406		4,803,531	132,875
c 118,623			118,623
d			
e			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			529,326
b			132,875
c			118,623
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	780,824
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	529,326

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	873,810	16,535,975	0.052843
2008	858,998	18,391,755	0.046706
2007	1,003,913	20,144,356	0.049836
2006	1,011,918	18,670,043	0.054200
2005	804,081	16,566,364	0.048537

2 Total of line 1, column (d)	2	0.252122
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	0.050424
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	18,605,862
5 Multiply line 4 by line 3	5	938,182
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	14,326
7 Add lines 5 and 6	7	952,508
8 Enter qualifying distributions from Part XII, line 4	8	883,254

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	28,652
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	28,652
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	28,652
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	5,800
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	5,800
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	606
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	23,458
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? 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
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ _____ (2) On foundation managers \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? 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
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
4b 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	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) OR		
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

N/A

Part VII-A Statements Regarding Activities (continued)

<p>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)</p>	11	<input type="checkbox"/>	X
<p>12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?</p>	12	<input type="checkbox"/>	X
<p>13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A</p>	13	X	<input type="checkbox"/>
<p>14 The books are in care of ► RUTH B. RICHMOND Telephone no ► 503-223-0036 1717 SW PARK AVE SUITE 1302 Located at ► PORTLAND OR ZIP+4 ► 97201</p>			
<p>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</p>	15	<input type="checkbox"/>	
<p>16 At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►</p>	16	Yes <input type="checkbox"/>	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 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)? Organizations relying on a current notice regarding disaster assistance check here	► <input type="checkbox"/>	1b		X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	N/A	1c		
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 ► 20 , 20 , 20 , 20	<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 page 22 of the instructions)	N/A	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 ► 20 , 20 , 20 , 20				
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010)	N/A	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

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)? **N/A** ☐ **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? **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? **6b** ☐ Yes ☒ No **X**

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ 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 page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE ATTACHED SCHEDULE		38,000	0	0

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

If none, enter "NONE."

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

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

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 page 23 of the instructions). If none, enter "NONE."

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

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

0

Part IX-A Summary of Direct Charitable Activities

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

Expenses

1 THE FOUNDATION'S ONLY CHARITABLE ACTIVITY WAS MAKING GRANTS TO PUBLIC CHARITIES IN SUPPORT OF THEIR PROGRAMS. SEE ATTACHED LIST OF GRANTEES AND GRANT AMOUNTS.

2

3

4

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

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

Amount

1 N/A

2

All other program-related investments. See page 24 of the instructions

3

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	18,787,622
b	Average of monthly cash balances	1b	101,578
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	18,889,200
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	18,889,200
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	283,338
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	18,605,862
6	Minimum investment return. Enter 5% of line 5	6	930,293

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	930,293
2a	Tax on investment income for 2010 from Part VI, line 5	2a	28,652	
b	Income tax for 2010 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b	2c	28,652	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	901,641	
4	Recoveries of amounts treated as qualifying distributions	4		
5	Add lines 3 and 4	5	901,641	
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	901,641	

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	883,254
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	883,254
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	883,254

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				901,641
2 Undistributed income, if any, as of the end of 2010.				
a Enter amount for 2009 only				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006	66,843			
c From 2007	38,075			
d From 2008				
e From 2009	58,577			
f Total of lines 3a through e	163,495			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 883,254				
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				883,254
e Remaining amount distributed out of corpus	18,387			18,387
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:	145,108			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions				
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	145,108			
10 Analysis of line 9				
a Excess from 2006	48,456			
b Excess from 2007	38,075			
c Excess from 2008				
d Excess from 2009	58,577			
e Excess from 2010				

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

Recipient	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
Name and address (home or business)				
a Paid during the year SEE ATTACHED SCHEDULE				787,034
Total			▶ 3a	787,034
b Approved for future payment N/A				
Total			▶ 3b	

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
- 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.

	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

[illegible]

- 2a** is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

- b If "Yes," complete the following schedule**

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

**Sign
Here**

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

Ruth B. Richmond
Signature of officer or trustee

5-13-2011
Date

PRFL
Title

Pnnt/Type preparer's name

~~Preparer's~~ signature

Date _____

Check ☐ if self-employed

04/26/11

Paid

Preparer **JOHN L. SEIBERT**

Use Only

Firm's name ► JARRARD, SEIBERT, POLLARD & CO, LLC

PTIN P00041794

Firm's address ► 1800 BLANKENSHIP RD, SUITE 450

Firm's EIN ► 93-0623130

WEST LINN, OR 97068-4191

Phone no **503-723-7600**

Form **990-PF** (2010)

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

Schedule of Contributors

OMB No 1545-0047

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

2010

Name of the organization

Employer identification number

HERBERT A. TEMPLETON FOUNDATION

93-0505586

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

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

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

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

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

☐ 501(c)(3) taxable private foundation

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

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

General Rule

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

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ► \$

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization

HERBERT A. TEMPLETON FOUNDATION

Employer identification number

93-0505586

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	ESTATE OF JANE T. BRYSON C/O 1717 SW PARK AVE PORTLAND OR 97201	\$ 290,000	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LEGAL FEES	\$ 1,925	\$ 963	\$	\$ 962
TOTAL	\$ 1,925	\$ 963	\$ 0	\$ 962

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ACCOUNTING FEES	\$ 8,110	\$ 4,055	\$	\$ 4,055
TOTAL	\$ 8,110	\$ 4,055	\$ 0	\$ 4,055

Statement 3 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
UBC/LATEEF-INVESTMENT FEES	\$ 62,331	\$ 62,331	\$	\$
UBC/LATEEF-CUSTODIAN FEES	7,506	7,506		
TOTAL	\$ 69,837	\$ 69,837	\$ 0	\$ 0

Statement 4 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
PAYROLL TAXES	\$ 5,070	\$	\$	\$ 5,070
FEDERAL TAXES PAID	3,183			
STATE TAXES PAID	1,010			1,010
FOREIGN TAXES, DIVIDENDS	4,191	4,191		
TOTAL	\$ 13,454	\$ 4,191	\$ 0	\$ 6,080

Federal Statements

Statement 5 - Form 990-PF, Part I, Line 19 - Depreciation

Date Acquired	Description	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
	OFFICE EQUIPMENT	\$ 7,693	\$ 7,398	STRAIGHT LINE	5	\$ 120	\$	\$
TOTAL		\$ 7,693	\$ 7,398			\$ 120	\$ 0	\$ 0

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES				
TELEPHONE	803			803
CONTRACT SERVICES	875			875
INSURANCE	280			280
MISCELLANEOUS	156			156
TOTAL	\$ 2,114	\$ 0	\$ 0	\$ 2,114

Federal Statements

Statement 7 - Form 990-PF, Part II, Line 10a - US and State Government Investments

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
US GOVT FIXED INCOME	\$	\$ 2,875,814	COST	\$ 2,891,440
TOTAL	\$ 0	\$ 2,875,814		\$ 2,891,440

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
CORPORATE STOCKS	\$ 13,339,436	\$ 11,272,611	COST	\$ 11,900,334
TOTAL	\$ 13,339,436	\$ 11,272,611		\$ 11,900,334

Statement 9 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
CORPORATE BONDS AND NOTES	\$ 2,253,171	\$ 3,326,701	COST	\$ 3,361,954
TOTAL	\$ 2,253,171	\$ 3,326,701		\$ 3,361,954

Federal Statements

93-0505586

FYE: 12/31/2010

4/26/2011 11:42 AM

Statement 10 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
OFFICE EQUIPMENT	\$ 295	\$ 8,510	\$ 7,518	\$ 8,510
TOTAL	\$ 295	\$ 8,510	\$ 7,518	\$ 8,510

Federal Statements**Statement 11 - Form 990-PF, Part III, Line 5 - Other Decreases**

<u>Description</u>	<u>Amount</u>
BOOK TO TAX ADJUSTMENT FOR STOCK SALE	\$ 17,177
TOTAL	\$ 17,177

Statement 12 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description

LETTERS, IRC 501(C)(3) EVIDENCE, FINANCIAL STATEMENTS,
BOARD OF DIRECTORS

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description

MARCH 15 AND SEPTEMBER 15

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description

SEE ATTACHED SCHEDULE

Templeton Foundation
Summary of 2010 Capital Gains

93-0505586

FORM 990-PF

PART I, LINE 6

	<u>Short-Term</u>	<u>Long-Term</u>	<u>Total</u>
Lateef	\$ 283,225	\$ 62,327	\$ 345,552
Lateef CG Distrib		5,874	5,874
Lateef II	45,382	(18,721)	26,661
Lateef II CG Distrib		329	329
UBS		(252)	(252)
ML American Growth	85,927	(944)	84,983
ML Pimco Real	114,792	90,465	205,257
ML Pimco CG Distrib		112,420	112,420
	<u>\$ 529,326</u>	<u>\$ 251,498</u>	<u>\$ 780,824</u>

2010 Tax Information Statement

Account Number: 6731022840
Recipient's Tax ID Number: XX-XXX5586
Payer's Federal ID Number: 94-0304228
Questions? (800)810-2207

Payer's Name and Address:
UNION BANK, N.A.
PO BOX 45174
SAN FRANCISCO, CA 94145-0174

Recipient's Name and Address:
THE HERBERT TEMPLETON FOUNDATION
1717 S W PARK AVENUE STE 1302
PORTLAND, OR 97201

☐ Corrected ☐ 2nd TIN notice

2010 Combined Year-End 1099 Forms

Form 1099-DIV Dividends and Distributions

OMB No. 1545-0110

1a Total ordinary dividends	\$160,764
1b Qualified dividends	\$137,998
2a Total capital gain distributions	\$5,874
2b Unrecaptured Section 1250 Gain	\$381
2c Section 1202 gain	
2d Collectibles (28%) gain	
3 Nondividend distributions	
4 Federal income tax withheld	
5 Investment expenses	
6 Foreign tax paid	\$2,347
7 Foreign country or U.S. possession	VARIOUS
8 Cash liquidation distributions	
9 Non-cash liquidation distributions	

Form 1099-INT Interest Income

OMB No. 1545-0110

1 Interest income not included in Box 3	\$151,389
2 Early withdrawal penalty	
3 Interest on U.S. Savings Bonds and Treasury obligations	
4 Federal income tax withheld	
5 Investment expenses	
6 Foreign tax paid	
7 Foreign country or U.S. possession	
8 Tax exempt interest	
9 Specified private activity bond interest	
10 Tax-exempt bond CUSIP no.	

Summary of Form 1099-B

Proceeds from Broker and Barter Exchange Transactions

2 Stocks, bonds, etc.	\$3,335,174
4 Federal income tax withheld	
8 Profit or (loss) realized in 2010	
9 Unrealized profit or (loss) on open contracts - 2009	
10 Unrealized profit or (loss) on open contracts - 2010	
11 Aggregate profit or (loss)	

Gross Proceeds less commissions and option premiums from each sale transaction are reported individually to the IRS. Refer to the 1099-B section of this Tax Information Statement. Report each sale separately on your federal and state income tax returns.

Summary of Form 1099-OID

Original Issue Discount

1 Original issue discount for 2010	
2 Other periodic interest	
3 Early withdrawal penalty	
4 Federal income tax withheld	
6 Original issue discount on U.S. Treasury obligations	
7 Investment expenses	

Original Issue Discount Amounts are reported individually to the IRS. Refer to the 1099-OID section of this Tax Information Statement.

2010 Tax Information Statement

Page

Account Number: 6731022850
Recipient's Tax ID Number: XX-XXX5586
Payer's Federal ID Number: 94-0304228
Questions? (800)810-2207

Corrected ☐ 2nd TIN notice ☐

Payer's Name and Address:
UNION BANK, N.A.
PO BOX 45174
SAN FRANCISCO, CA 94145-0174

Recipient's Name and Address:
THE HERBERT TEMPLETON FOUNDATION
1717 SW PARK AVENUE STE 1302
PORTLAND, OR 97201

2010 Combined Year-End 1099 Forms

Form 1099-DIV Dividends and Distributions

OMB No. 1545-0110

1a Total ordinary dividends	\$36,117.
1b Qualified dividends	\$28,587.
2a Total capital gain distributions	\$329
2b Unrecaptured Section 1250 Gain	\$114.
2c Section 1202 gain	
2d Collectibles (28%) gain	
Nondividend distributions	
Federal income tax withheld	
Investment expenses	
Foreign tax paid	\$445
Foreign country or U S possession	VARIOUS
Cash liquidation distributions	
Non-cash liquidation distributions	

Form 1099-INT Interest Income

OMB No. 1545-0110

1 Interest income not included in Box 3	\$29,427
2 Early withdrawal penalty	
3 Interest on U S Savings Bonds and Treasury obligations	
Federal income tax withheld	
Investment expenses	
Foreign tax paid	
Foreign country or U S possession	
Tax exempt interest	
Specified private activity bond interest	
10 Tax-exempt bond CUSIP no.	

Summary of Form 1099-B

Proceeds from Broker and Barter Exchange Transactions

2 Stocks, bonds, etc.	\$876,670
Federal income tax withheld	
Profit or (loss) realized in 2010	
Unrealized profit or (loss) on open contracts - 2009	
Unrealized profit or (loss) on open contracts - 2010	
Aggregate profit or (loss)	

Gross Proceeds less commissions and option premiums from each sale transaction are reported individually to the IRS. Refer to the 1099-B section of this Tax Information Statement. Report each sale separately on your federal and state income tax returns.

Summary of Form 1099-OID

Original Issue Discount

1 Original issue discount for 2010	
2 Other periodic interest	
3 Early withdrawal penalty	
Federal income tax withheld	
Original issue discount on US Treasury obligations	
Investment expenses	

Original Issue Discount Amounts are reported individually to the IRS. Refer to the 1099-OID section of this Tax Information Statement.

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.



JOHN L SEIBERT

EMA Fiscal Statement

FISCAL YEAR ACTIVITY

Date	Transaction	Quantity	Description	Price	Debit	Credit
12/31/10	Purchase	714	FIXED INCOME SHARES SERIES M F CL INSTL FUND SUBJECT TO RED FEE	10.21	7,289.94	
	Net Total				4,971,805.67	5,218,151.76
Dividends and Interest						
12/31/10	Bond Interest		U.S. TREASURY NOTE			962.50
12/20/10	Dividend		FIXED INCOME SHARES			32,807.29
12/20/10	Lg Tm Cap Gain		FIXED INCOME SHARES			22,862.03
12/20/10	Sh Tm Cap Gain		FIXED INCOME SHARES			8,002.96
12/31/10	Dividend		FIXED INCOME SHARES			3,279.79
	Sub Total					66,952.07
12/20/10	Dividend		FIXED INCOME SHARES			3,229.88
12/20/10	Lg Tm Cap Gain		FIXED INCOME SHARES			12,576.37
12/31/10	Dividend		FIXED INCOME SHARES			2,369.50
	Sub Total					18,175.75
12/31/10	Bank Interest		BANK DEPOSIT INTEREST			1.75
	Income Total		ML Bus. Deposit Program			63.00
	Sub Total					64.75
12/01/10	Dividend		PIMCO TOTAL RETURN FD		13,335.79	
12/01/10	Reinvestment		PIMCO TOTAL RETURN FD			
12/01/10	Divd Reinv	1,160	PIMCO TOTAL RETURN FD			
12/09/10	Lg Tm Cap Gain		PIMCO TOTAL RETURN FD			
12/09/10	Reinvestment		PIMCO TOTAL RETURN FD			
12/09/10	Sh Tm Cap Gain		PIMCO TOTAL RETURN FD			
12/09/10	Reinvestment		PIMCO TOTAL RETURN FD			
12/09/10	Divd Reinv	15,588	PIMCO TOTAL RETURN FD			
12/09/10	Dividend	7,127	PIMCO TOTAL RETURN FD			
12/31/10	Dividend		PIMCO TOTAL RETURN FD			

PLEASE SEE REVERSE SIDE

Page 10 of 14
Statement Period Year Ending 12/31/10
Account No 311-04K04

13

00-17-6060B (R02-10)



LATEEF MANAGEMENT ASSOCIATES
ACCOUNT 6731022840

SCHEDULE OF CAPITAL TRANSACTIONS

QUAN.	DESCRIPTION	(1-ST/2-LT) HOLDING PERIOD	DATE SOLD	PROCEEDS	COST	GAIN OR LOSS	
						SHORT TERM	LONG TERM
200,000	Clorox Co Notes 4 2%	2	1/15/10	200,000	200,978	-	(978)
500	Boeing	1	3/4/10	31,711	19,852	11,859	-
2,000	Tyson Foods	2	3/4/10	34,040	23,078	-	10,962
1,750	Delta Air Lines	2	3/4/10	22,909	18,047	-	4,862
1,000	Home Depot	2	3/10/10	31,583	34,735	-	(3,152)
500	Home Depot	2	3/11/10	15,787	17,030	-	(1,243)
3,000	Alaska Air Group	1	3/15/10	118,348	55,777	62,571	-
250	Boeing	1	3/16/10	17,391	9,926	7,465	-
1,000	TCF Financial Corp	2	3/18/10	15,117	19,850	-	(4,733)
750	Packaging Corp America	2	3/22/10	18,947	14,900	-	4,047
450	General Mills	1	3/24/10	32,900	21,995	10,905	-
400	Hewlett Packard	2	3/24/10	20,887	12,772	-	8,115
500	Teva Pharmaceutical	2	3/24/10	31,272	23,340	-	7,932
1,250	Packaging Corp America	2	3/24/10	30,839	25,893	-	4,946
500	Boeing	1	3/24/10	35,540	19,852	15,688	-
1,000	Crown Holdings Inc.	2	3/24/10	27,020	23,272	-	3,748
325	3M Co	2	3/30/10	26,429	23,176	-	3,253
250	Boeing	1	4/1/10	18,371	9,926	8,445	-
500	Stancorp Financial	1	4/8/10	24,080	13,477	10,603	-
425	3M Co.	2	4/9/10	35,324	30,407	-	4,917
1,000	Alcoa	2	4/12/10	14,780	31,044	-	(16,264)
1,000	Alcoa	2	4/13/10	14,403	31,388	-	(16,985)
1,000	Pactiv Corp	2	4/21/10	25,977	27,632	-	(1,655)
750	Olin Corp	2	4/28/10	16,471	14,321	-	2,150
750	BJS Wholesale	2	4/30/10	28,531	23,609	-	4,922
200,000	Weyerhaeuser 6.75%	2	6/22/10	216,000	199,800	-	16,200
600	Pactiv Corp	2	6/24/10	17,341	16,579	-	762
1,500	BJS Wholesale	2	7/7/10	63,929	47,219	-	16,710
500	Pactiv Corp	2	7/26/10	14,566	13,816	-	750
1,500	Brandywine Realty Trust	2	7/26/10	15,510	37,775	-	(22,265)
2,000	BB&T Cap Tr VI Pfd	2	7/30/10	55,762	50,000	-	5,762
150,000	Alcoa 6.5%	1	8/3/10	157,313	157,650	(337)	-
5,500	Nokia Corp Spnsd ADR	2	8/5/10	52,585	164,010	-	(111,425)

LATEEF MANAGEMENT ASSOCIATES
ACCOUNT 6731022840

SCHEDULE OF CAPITAL TRANSACTIONS (CONTINUED):

(1-ST/2-LT)

QUAN.	DESCRIPTION	HOLDING PERIOD	DATE SOLD	PROCEEDS	COST	GAIN OR LOSS	
						SHORT TERM	LONG TERM
400	Warner Chilcott PLC	1	8/5/10	10,288	9,035	1,253	-
100	Warner Chilcott PLC	1	8/5/10	2,572	2,259	313	-
400	Warner Chilcott PLC	1	8/5/10	10,288	9,035	1,253	-
100	Warner Chilcott PLC	1	8/5/10	2,572	2,259	313	-
1,500	Warner Chilcott PLC	1	8/6/10	38,712	33,880	4,832	-
200,000	Home Depot	2	8/16/10	200,000	200,738	-	(738)
200,000	Simon Ppty Group 4.875%	2	8/16/10	200,000	200,000	-	-
750	Warner Chilcott PLC	1	8/17/10	20,973	16,940	4,033	-
1,750	Warner Chilcott PLC	1	8/19/10	50,557	39,527	11,030	-
5,500	Pactiv Corp	1/2	8/20/10	178,362	146,181	13,305	18,876
2,000	Nokia Corp Spnsrd ADR	2	9/9/10	18,220	40,152	-	(21,932)
500	Kimberly Clark Corp	2	9/9/10	32,904	25,602	-	7,302
500	Energizer Holdings Inc.	1	9/22/10	34,286	28,331	5,955	-
2,000	FMC Corp	1	9/24/10	137,925	111,613	26,312	-
500	Southwest Airlines	1	9/30/10	66,899	42,290	24,609	-
500	Devon Energy	1	10/27/10	32,250	34,020	(1,770)	-
500	Olin Corp	2	10/28/10	10,547	9,548	-	999
7,500	CBL & Associates	1/2	11/10/10	138,652	64,775	33,697	40,180
300	FedEx Corp	1	11/16/10	26,293	24,671	1,622	-
750	Packaging Corp America	2	11/16/10	18,818	16,489	-	2,329
3,000	Foot Locker Inc.	2	11/16/10	48,278	30,610	-	17,668
3,000	Ford Motor Co.	2	11/19/10	49,649	22,050	-	27,599
1,000	Foot Locker Inc	2	12/7/10	19,093	17,133	-	1,960
150,000	Brandywine Bonds 5 625%	1	12/15/10	150,000	154,422	(4,422)	-
2,000	Ford Motor Co.	2	12/23/10	50,000	37,500	-	12,500
750	Honeywell Intl	2	12/27/10	39,914	20,811	-	19,103
500	Energizer Holdings Inc.	1	12/27/10	37,345	28,331	9,014	-
2,000	Comcast Corp	2	12/27/10	41,219	34,080	-	7,139
1,750	International Paper	1	12/27/10	47,115	41,720	5,395	-
1,500	Devon Energy	1	12/29/10	115,678	96,396	19,282	-
500	BJS Wholesale	2	12/30/10	24,105	16,101	-	8,004
				<u>3,335,177</u>	<u>2,989,625</u>	<u>283,225</u>	<u>62,327</u>

LATEEF MANAGEMENT ASSOCIATES II
ACCOUNT 6731022850

SCHEDULE OF CAPITAL TRANSACTIONS:

		(1-ST/2-LT)				GAIN OR LOSS	
QUANT.	DESCRIPTION	HOLDING PERIOD	DATE SOLD	PROCEEDS	COST	SHORT-TERM	LONG-TERM
75,000	Clorox Co. Notes 4.2%	2	1/15/10	75,000	75,367	-	(367)
425	Alaska Air Group	1	3/15/10	16,699	7,598	9,101	-
1,000	TCF Financial	2	3/19/10	15,698	25,881	-	(10,183)
500	Tyson Foods	2	3/19/10	8,687	5,853	-	2,834
275	Stancorp Financial	1	3/19/10	12,790	7,404	5,386	-
400	Packaging Corp America	2	3/22/10	10,044	8,824	-	1,220
300	BB & T Corp	2	3/24/10	9,451	7,685	-	1,766
150	Boeing	1	3/24/10	10,681	5,976	4,705	-
150	Teva Pharmaceutical	2	3/24/10	9,394	7,028	-	2,366
275	3M Co	2	3/24/10	22,450	19,485	-	2,965
700	Alcoa	2	4/14/10	9,968	20,594	-	(10,626)
400	Olin Corp	2	4/28/10	8,737	8,256	-	481
40,000	Simon Ppty Group 4.6%	2	6/15/10	40,000	40,000	-	-
50,000	Weyerhaeuser 6.75%	2	6/22/10	54,000	49,950	-	4,050
600	Brandywine Realty Tr 7.5%	2	6/28/10	14,136	11,935	-	2,201
500	BJS Wholesale Club	2	7/7/10	21,257	16,532	-	4,725
350	Warner Chilcott PLC	1	7/26/10	8,089	7,933	156	-
1,000	Brandywine Realty Tr	2	7/26/10	10,180	28,474	-	(18,294)
50,000	Alcoa	1	8/3/10	52,438	52,550	(112)	-
1,000	Nokia Corp Spnsrd ADR	2	8/5/10	9,475	29,944	-	(20,469)
50,000	Home Depot Inc.	2	8/16/10	50,000	50,000	-	-
750	Warner Chilcott PLC	1	8/19/10	21,519	16,998	4,521	-
1,200	Pactiv Corp	2	8/20/10	38,750	32,133	-	6,617
1,000	Nokia Corp Spnsd ADR	1/2	9/9/10	9,057	14,982	(3,100)	(2,825)
350	FMC Corp	1	9/24/10	24,007	18,412	5,595	-
1,000	Southwest Airlines	1	9/30/10	13,379	11,610	1,769	-
50,000	Stancorp Financial	1	10/21/10	53,636	54,413	(777)	-
225	Ball Corp	2	10/21/10	13,941	8,912	-	5,029
250	Honeywell Intl	2	10/27/10	11,638	8,214	-	3,424
150	Energizer Holdings Inc.	1	10/28/10	11,299	8,536	2,763	-
600	Comcast Corp	2	11/3/10	11,498	10,302	-	1,196
1,500	CBL & Assoc	1/2	11/10/10	27,585	15,452	10,921	1,212
400	Foot Locker Inc.	2	11/16/10	6,389	9,183	-	(2,794)
100	FedEx Corp	1	11/16/10	8,661	8,268	393	-
700	Ford Motor Co.	2	11/19/10	11,507	5,137	-	6,370
300	Foot Locker Inc.	2	12/7/10	5,696	6,813	-	(1,117)
35,000	Brandywine Bonds 5.625%	1	12/15/10	35,000	36,030	(1,030)	-
450	Comcast Corp	2	12/27/10	9,225	7,727	-	1,498
450	International Paper	1	12/27/10	12,070	10,787	1,283	-
425	Devon Energy	1	12/29/10	32,642	28,834	3,808	-
50,000	GECC MTNA 4.25%	2	12/1/10	50,000	50,000	-	-
				876,673	850,012	45,382	(18,721)

UBS FINANCIAL SERVICES
ACCOUNT LL 69527 BD

SCHEDULE OF CAPITAL TRANSACTIONS:

[illegible]

MERRILL LYNCH
ACCOUNT 311-04H18

SCHEDULE OF CAPITAL TRANSACTIONS:

QUAN.	DESCRIPTION	(1-ST/2-LT) HOLDING PERIOD	DATE SOLD	PROCEEDS	COST	GAIN OR LOSS	
						SHORT TERM	LONG TERM
34,261.000	American Growth Fund of Am	1	12/9/10	1,031,599	945,672	85,927	
7.000	Baidu Inc Spon ADR	2	12/16/10	690	758		(68)
116.000	Ctrip com Intl Ltd	2	12/15/10	4,807	5,160		(353)
41.000	VISA Inc Cl A shares	2	12/16/10	2,787	3,260		(473)
67.000	VISA Inc. Cl A shares	2	12/17/10	4,490	5,327		(837)
266.000	American Growth Fund of Am	2	12/9/10	8,009	7,222		787
0.241	American Growth Fund of Am	2	12/21/10	7	7		-
				<u>1,052,389</u>	<u>967,406</u>	<u>85,927</u>	<u>(944)</u>

MERRILL LYNCH
ACCOUNT 311-04K04

SCHEDULE OF CAPITAL TRANSACTIONS:

QUAN.	DESCRIPTION	(1-ST/2-LT) HOLDING PERIOD	DATE SOLD	PROCEEDS	COST	GAIN OR LOSS	
						SHORT TERM	LONG TERM
218,655.011	Pimco Real Return Cl A	1	5/21/10	2,424,884	2,232,468	192,416	
177.000	Pimco Real Return Cl A	1	5/21/10	1,963	1,823	140	
1.000	Pimco Real Return Cl A	1	5/21/10	11	10	1	
865.000	Pimco Real Return Cl A	1	5/21/10	9,593	8,935	658	
943.000	Pimco Real Return Cl A	1	5/21/10	10,458	9,817	641	
1.000	Pimco Real Return Cl A	1	5/21/10	11	10	1	
1,417.000	Pimco Real Return Cl A	1	5/21/10	15,715	14,879	836	
166.000	Pimco Real Return Cl A	1	5/21/10	1,841	1,786	55	
1.000	Pimco Real Return Cl A	1	5/21/10	11	11	-	
475.000	Pimco Real Return Cl A	1	5/21/10	5,268	5,178	90	
1.000	Pimco Real Return Cl A	1	5/21/10	11	11	-	
302.000	Pimco Real Return Cl A	1	5/21/10	3,349	3,376	(27)	
2,826.000	Pimco Real Return Cl A	1	5/21/10	31,340	30,521	819	
1.000	Pimco Real Return Cl A	1	5/21/10	11	11	-	
415.000	Pimco Real Return Cl A	1	5/21/10	4,602	4,477	125	
1.000	Pimco Real Return Cl A	1	5/21/10	11	11	-	
288.000	Pimco Real Return Cl A	1	5/21/10	3,194	3,159	35	
126.000	Pimco Real Return Cl A	1	5/21/10	1,397	1,368	29	
1.000	Pimco Real Return Cl A	1	5/21/10	11	11	-	
496.000	Pimco Real Return Cl A	1	5/21/10	5,501	5,392	109	
292.000	Pimco Real Return Cl A	1	5/21/10	3,238	3,256	(18)	
1.000	Pimco Real Return Cl A	1	5/21/10	11	11	-	
570.000	Pimco Real Return Cl A	1	7/6/10	6,338	6,298	40	
0.763	Pimco Real Return Cl A	1	7/6/10	8	8	-	
1.000	Pimco Real Return Cl A	1	7/6/10	11	11	-	
5,247.000	Pimco Total Return Fd Cl A	2	12/3/10	60,026	54,831		5,195
216,148.000	Pimco Total Return Fd Cl A	2	12/9/10	2,334,398	2,249,128		85,270
237,664.000	Pimco Total Return Fd Cl A	1	12/9/10	2,566,771	2,646,221	(79,450)	
0.378	Pimco Total Return Fd Cl A	1	12/3/10	4	4	-	
1,160.000	Pimco Total Return Fd Cl A	1	12/9/10	12,528	13,328	(800)	
15,589.000	Pimco Total Return Fd Cl A	1	12/10/10	167,738	168,361	(623)	
0.858	Pimco Total Return Fd Cl A	1	12/21/10	9	9	-	
7,127.000	Pimco Total Return Fd Cl A	1	12/10/10	76,687	76,972	(285)	
				7,746,949	7,541,692	114,792	90,465

HERBERT A. TEMPLETON FOUNDATION
Portland, Oregon
Year ended December 31, 2010

93-0505586

PART II, BALANCE SHEET
Lines 10a, b and c

	Col [b] Book Value	Col [c] Fair Market Value
Line 10a		
Merrill Lynch #311-04K04 - Pimco funds	\$ 2,875,814	\$ 2,891,440
	<u>\$ 2,875,814</u>	<u>\$ 2,891,440</u>
Line 10b		
Merrill Lynch #311-04H18 - Winslow	\$ 1,021,090	\$ 1,035,482
Merrill Lynch #311-04K04 - Pimco Funds	2,086,268	2,036,841
UBS #LL 69527 BD	851,870	709,828
Union Bank of California #6731022840	6,002,941	6,656,117
Union Bank of California #6731022850	1,310,442	1,462,066
	<u>\$ 11,272,611</u>	<u>\$ 11,900,334</u>
Line 10c		
Union Bank of California #6731022840	\$ 2,784,084	\$ 2,819,982
Union Bank of California #6731022850	542,617	541,972
	<u>\$ 3,326,701</u>	<u>\$ 3,361,954</u>

HERBERT A TEMPLETON FOUNDATION
Officers and Trustees
2009

<u>Name</u>	<u>Phone</u>	<u>Address</u>	<u>Office</u>
RICHMOND, Ruth B.	503-223-0036	1717 SW Park Ave., Portland, OR 97201	President/Trustee
RICHMOND, CHRISTIAN	same as above	same as above	Trustee
PANCOAST, Terrence R.	same as above	same as above	Sec/Asst. Treasurer and Trustee
RICHMOND, Henry R.	same as above	same as above	Vice President and Trustee
GIRARD, Linda M.	same as above	same as above	Asst. Secretary and Trustee
WYSS, Loren L	same as above	same as above	Treasurer and Trustee
EICKMANN, Margaret	same as above	same as above	Trustee

The president, Ruth B. Richmond, devoted an average of 10-12 hours per week to her position. All of the other officers and trustees averaged about 1-3 hours per week. The president received compensation of \$38,000. None of the other officers or trustees received any compensation. No officer or trustee received contributions to a pension plan or deferred compensation, and no officer or trustee had an expense account allowance or other allowance.

HERBERT A. TEMPLETON FOUNDATION

2010 GRANT DETAIL

Community (5) \$52,150

Ecumenical Ministries of Oregon	\$10,000
Libraries of Eastern Oregon	4,650
Library Foundation of Multnomah County	15,000
Nonprofit Association of Oregon (TACS)	10,000
Peninsula Children's Center	12,500

5 grants; 4% of total number of grants

Average grant: \$10,430

Environment (7) \$50,500

1000 Friends of Oregon	\$20,000
Center for Earth Leadership	4,000
Friends of the Columbia Gorge	10,000
Friends of Tryon Creek Park	3,000
Oregon Wildlife Heritage Foundation	4,000
Sylvan Leef Inc.	3,500
Willamette Riverkeeper	6,000

7 grants; 6% of total number of grants

Average grant: \$7,214

Humanities (40) \$225,000

General:

Arts Central	\$5,000
Caldera	7,000
Children's Museum of Eastern Oregon	3,750
Coos Art Museum-	3,000
Dancing People Company	3,500
Film Action Oregon	5,000
Fishtrap	6,000
Focus on Youth	6,000
Independent Publishing Resource Center	5,000
Kukatonon	4,000
Literary Arts Inc.	8,500
Nature of Words	5,000
Northwest Dance Project	5,000
Science Works Hands-On Museum	7,500
Tears of Joy Theatre	10,000
Young Audiences	6,000
Young Writers Association	4,000

Music:

Cappella Romana	\$4,000
Chamber Music Northwest	5,000
Community Music Center	15,000
Corvallis-OSU Symphony Society	2,000
Ethos Inc.	20,000
Fear No Music	3,750
Metropolitan Youth Symphony Association	3,000
My Voice Music	4,000
Oregon Bach Festival (U of O Foundation)	4,000
Oregon East Symphony and Chorale	4,000
Oregon Symphony Association	8,000
Pacific Youth Choir	4,000
Portland Baroque Orchestra	5,000
Portland Opera	7,000
Portland Summer Fest	5,000
Rogue Valley Symphony	2,000

Theatre:

Artists Repertory Theatre	\$5,000
New Moon Productions	4,000
Northwest Children's Theatre & School	8,000
Oregon Ballet Theatre	5,000
Oregon Coast Children's Theatre	4,000
Portland Center Stage	5,000
Ross Ragland Theatre	4,000

40 grants; 35% of total number of grants

Average grant: \$5,625

Social Services (36)

\$242,334

Adelante Mujeres	\$10,000
Assistance League of Eugene	5,000
Benton Comm. For Prevention of Child Abuse	5,000
Bethlehem Inn	3,000
Birth to Three	12,500
Bradley Angle House	5,000
CASA of Central Oregon	7,000
CASA of Lane County	5,000
Center Against Rape and Domestic Violence	7,500
Children's Justice Alliance	8,000
Children's Relief Nursery	7,000
Community Partners for Affordable Housing	5,000
Creation Vacation - United Methodist Church	6,000
Family Building Blocks Inc.	10,000
Fish Emergency Services Inc.	6,000

Food for Lane County	5,000
Impact Northwest	15,000
Kids Intervention & Diagnostic Services Ctr.	5,000
Kinship House	5,000
Metropolitan Family Services	7,500
Neighborhood House Inc.	8,000
Northwest Housing Alternatives Inc.	6,000
Parent Partnership	3,500
Planned Parenthood SW Oregon	5,000
Portland Children's Museum	10,000
Pregnancy Care Center of Grants Pass	5,000
Raphael House	5,000
Safe Haven Maternity Home	7,000
Salvation Army Portland Metro	5,000
Saving Grace	6,334
Shelter Care	5,000
Somali Community Services Coalition	5,000
St. Andrew Legal Clinic	12,000
Tillamook County Women's Crisis Center	10,000
Women's Crisis Support Team	5,000
Yamhill Community Action Partnership	5,000

36 grants; 32% of total number of grants

Average grant: \$6,731

<u>Youth (25)</u>	<u>\$217,050</u>
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Adventures Without Limits	\$7,500
Bandon Community Youth Center	4,000
Big Bros./Big Sisters Columbia Northwest	7,500
Camp Fire - Portland Metro Council	10,000
Chess for Success	5,000
Community Transitional School	10,000
Concordia University	5,000
De La Salle North Catholic High School	15,000
Friends of the Children	10,000
Girls Inc.	10,000
Hope Community Center	3,350
I Have a Dream Foundation-Oregon	25,000
Media Arts and Technology Institute	5,000
Minds Matter of Portland	15,000
Next Door Inc.	6,500
Open Meadow Alternative Schools	10,000
Oregon Children's Foundation	10,000
Oregon Episcopal School	5,000
People for Parks	4,600

Salem Leadership Foundation	9,600
St. Andrew Nativity School	10,000
Stand for Children	10,000
Upper Rogue Community Center Inc.	1,500
YMCA - Klamath Family	10,000
YWCA - Greater Portland	7,500

25 grants; 22% of total number of grants
Average grant: \$8,682

113 grants totaling (average grant size: \$6,965)	\$787,034
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THE HERBERT A. TEMPLETON FOUNDATION
STATEMENT OF POLICIES AND PROCEDURES

The Herbert A. Templeton Foundation is an Oregon charitable corporation which was founded in 1955 by the late Herbert A. Templeton. The present trustees of the Foundation are Margaret Eickmann, Linda M. Girard, Terrence R. Pancoast, Christian T. Richmond, Henry R. Richmond, Ruth B. Richmond, and Loren L. Wyss.

The principal activity of The Herbert A. Templeton Foundation is the making of grants to appropriate tax-exempt organizations in the areas of education, social concerns, performing arts and humanities. The Foundation endeavors to remain responsive to changing conditions, and perceptive to emerging and critical needs. Overall, the trustees feel a strong commitment to strengthening the quality of life for the total community with special emphasis on giving support to youth.

Over the years, grants have regularly been made to various educational, youth, cultural, and social service organizations. Currently priority is placed on direct services. Grants are not being made for capital purposes including building and renovation projects, as well as purchases of furnishings, equipment and vehicles. Grants generally are made only to organizations operating within the State of Oregon or for purposes significantly affecting Oregon residents. It is the policy of the Foundation not to make grants to organizations which unfairly discriminate on the basis of gender, religion, age, national origin, marital status, or sexual orientation. No grants, including scholarships and student loans, are made to individuals. At this time we are not making grants in the following areas: programs for the elderly, medical or medically-related services, scientific research and technology, program related investments or endowment funds.

The procedures and operations of The Herbert A. Templeton Foundation are informal and there is no required application form. Grant requests should be in writing and, in addition to basic general information about the applicant organization, should describe the purpose for which funding is requested, the practical implementation strategy, the potential significance to the community, anticipated costs, and sources of actual and potential support. Requests also must include the most recent fiscal year-end financial statement; an organization budget; a project budget, if applicable; a list of the directors, indicating their relationships to the organization; and the name, address, and telephone number of a contact person. A copy of the applicant organization's Internal Revenue Service determination letter must be attached. These materials should be covered by a one-page transmittal letter which summarizes the grant request.

The Foundation processes grant requests throughout the year. There are two submission deadlines: March 15 and September 15. All requests must be received no later than 5:00 p.m. on the day of the deadline. Submission prior to the deadline is encouraged. Organizations may submit only one request per calendar year.

Following the receipt of a grant, the Foundation requests that the grantee submit a brief report reflecting on the successes/difficulties of the endeavors for which funding was granted.

All correspondence with the Foundation should be directed to:

Ruth B. Richmond, President
The Herbert A. Templeton Foundation
1717 S. W. Park Avenue
Portland, Oregon 97201-3245

2010