Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2010

For calendar year 2010, or tax year beginning JUL 1, 2010 , and ending JUN 30, 2011

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

Name of foundation: THE MORTON FOUNDATION, INC.

A Employer identification number: 04-3288386

Number and street (or P O box number if mail is not delivered to street address): C/O CAROLYN SAYWARD 15 OSPREY LANE

Room/suite:

B Telephone number: (207) 361 2525

City or town, state, and ZIP code: YORK, ME 03909

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 ▶ [ ]

H Check type of organization: [X] Section 501(c)(3) exempt private foundation [ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 1760627.

J Accounting method [ ] Cash [X] Accrual [ ] Other (specify) (Part I, column (d) must be on cash basis.)

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))

		(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	114201.			
	2 Check ▶ [ ] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	20.	20.	20.	STATEMENT 1
	4 Dividends and interest from securities	39743.	39743.	39743.	STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	6572.			
	b Gross sales price for all assets on line 6a 1650247.				
	7 Capital gain net income (from Part IV, line 2)		6572.		
	8 Net short-term capital gain			13477.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	270.	270.	270.	STATEMENT 3
	12 **Total.** Add lines 1 through 11	160806.	46605.	53510.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 4	4782.	0.	0.	4782.
	b Accounting fees				
	c Other professional fees STMT 5	6889.	6889.	6889.	0.
	17 Interest				
	18 Taxes STMT 6	718.	0.	0.	718.
	19 Depreciation and depletion	3123.	122.	2382.	
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 7	67040.	0.	0.	67040.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	82552.	7011.	9271.	72540.
	25 Contributions, gifts, grants paid	16979.			16979.
	26 **Total expenses and disbursements.** Add lines 24 and 25	99531.	7011.	9271.	89519.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	61275.			
	b **Net investment income** (if negative, enter -0-)		39594.		
	c **Adjusted net income** (if negative, enter -0-)			44239.	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing	41180.	25248.	25248.
	2	Savings and temporary cash investments	205602.	73464.	73464.
	3	Accounts receivable ▶ 451.			
		Less allowance for doubtful accounts ▶		451.	451.
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons		309.	309.
	7	Other notes and loans receivable ▶			
		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			
	b	Investments - corporate stock STMT 9	840737.	1151343.	1226428.
	c	Investments - corporate bonds STMT 10	297756.	234585.	235730.
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other STMT 11	227636.	190072.	197488.
	14	Land, buildings, and equipment basis ▶ 15247.			
		Less accumulated depreciation STMT 12 ▶ 13738.	2795.	1509.	1509.
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers)	1615706.	1676981.	1760627.
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			
	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 ▶ ☐ 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 ▶ [X] and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	16613.	16613.	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds	1599093.	1660368.	
	30	**Total net assets or fund balances**	1615706.	1676981.	
	31	**Total liabilities and net assets/fund balances**	1615706.	1676981.	

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	1615706.
2	Enter amount from Part I, line 27a	2	61275.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1676981.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1676981.

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	SCHWAB SEE DETAIL ATTACHED	P	VARIOUS	VARIOUS
b	SCHWAB SEE DETAIL ATTACHED	P	VARIOUS	VARIOUS
c	CAPITAL GAINS DIVIDENDS			
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	440021.		426544.	13477.
b	1207691.		1217131.	-9440.
c	2535.			2535.
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				13477.
b				-9440.
c				2535.
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** 6572.

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) If (loss), enter -0- in Part I, line 8 **3** 13477.

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 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	83208.	1395246.	.059637
2008	88380.	1187065.	.074453
2007	86466.	1560839.	.055397
2006	308657.	1621082.	.190402
2005	57901.	1276462.	.045361

2	Total of line 1, column (d)	2	.425250
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	.085050
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	1620951.
5	Multiply line 4 by line 3	5	137862.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	396.
7	Add lines 5 and 6	7	138258.
8	Enter qualifying distributions from Part XII, line 4	8	89519.

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 instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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 ▶ ☐ and enter 1% of Part I, line 27b c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)	1	792.
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	792.
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	792.
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010 — 6a 568.		
b	Exempt foreign organizations - tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c 616.		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments Add lines 6a through 6d	7	1184.
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	4.
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	388.
11	Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ 388. **Refunded** ▶	11	0.

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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
	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?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
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.*	2		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		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?	6	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.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MA,ME			
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*	8b	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)? *If "Yes," complete Part XIV*	9	X	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
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?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ CAROLYN M. SAYWARD Telephone no ▶207-361-2525
Located at ▶15 OSPREY LANE, YORK, ME ZIP+4 ▶03909

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			Yes	No
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶			

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies. Yes No

1a During the year did the foundation (either directly or indirectly)

(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ 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)? ☐ Yes ☒ 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) ☐ Yes ☒ No

			Yes	No
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
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? ☐ Yes ☒ No
If "Yes," list the years ▶ ____, ____, ____, ____

			Yes	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 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
▶ ____, ____, ____, ____

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No

			Yes	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

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

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ 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)? 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 | | 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.

(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
CAROLYN M. SAYWARD SEE STATEMENT 8 15 OSPREY LANE YORK, ME 03909	SECRETARY, DIRECTOR 10.00	0.	0.	0.
CHRISTINA C.M. WHITAKER SEE STATMNT 8 8 CUNNINGHAM ROAD FREEPORT, ME 04032	TREASURER,DIRECTOR 5.00	0.	0.	0.
A. KATHLEEN HASTINGS SEE STATEMENT 8 P.O. BOX 842 UNION, ME 04862	PRESIDENT, DIRECTOR 2.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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. 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 SEE STATEMENT 13	64339.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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.

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	1444742.
b	Average of monthly cash balances	1b	200894.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	1645636.
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	1645636.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	24685.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1620951.
6	**Minimum investment return.** Enter 5% of line 5	6	81048.

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

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2010 from Part VI, line 5 — 2a		
b	Income tax for 2010 (This does not include the tax from Part VI) — 2b		
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
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	

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	89519.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	89519.
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	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	89519.

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)

N/A

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only				
b Total for prior years ___ , ___ , ___				
3 Excess distributions carryover, if any, to 2010.				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e				
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ $				
a Applied to 2009, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2010 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 instructions				
e Undistributed income for 2009 Subtract line 4a from line 2a. Taxable amount - see instr				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7				
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling . ▶ 05/20/96

b Check box to indicate whether the foundation is a private operating foundation described in section [X] 4942(j)(3) or [ ] 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	44239.	31426.	35727.	45758.	157150.
b 85% of line 2a	37603.	26712.	30368.	38894.	133578.
c Qualifying distributions from Part XII, line 4 for each year listed	89519.	83208.	88755.	86466.	347948.
d Amounts included in line 2c not used directly for active conduct of exempt activities	16979.	38434.	24702.	0.	80115.
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	72540.	44774.	64053.	86466.	267833.
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter (1) Value of all assets					0.
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0.
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	54032.	46508.	39569.	52028.	192137.
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0.
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0.
(3) Largest amount of support from an exempt organization					0.
(4) Gross investment income					0.

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

1 **Information Regarding Foundation Managers:**

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

NONE

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 ▶ [X] 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
a Paid during the year				
WISE COUNSEL RESEARCH, INC. 20 WILLIAM ST. #130 C/O SEEGEL LIPSHUTZ &		PUBLIC CHARITY	RESEARCH	16979.
Total			▶ 3a	16979.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

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
	(a) Business code	(b) Amount	(c) Exclusion 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	20.	
4 Dividends and interest from securities			14	39743.	
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					270.
8 Gain or (loss) from sales of assets other than inventory			14	2535.	4037.
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)		0.		42298.	4307.

13 Total. Add line 12, columns (b), (d), and (e) 13 46605.

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).
3,4	INVESTMENT INCOME USED TO FUND CHARITABLE ACTIVITIES

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

			Yes	No
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	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(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		

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.

Carolyn Sayward — Signature of officer or trustee | 12-13-11 — Date | President — Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Brad Nystedt	Brad Nystedt	11/21/11		

Firm's name ▶ NYSTEDT & FLETCHER PLLC — Firm's EIN ▶

Firm's address ▶ 2970 N. SWAN ROAD - SUITE 221
TUCSON, AZ 85712 — Phone no. 520-881-3900

Schedule B (Form 990, 990-EZ, or 990-PF) Department of the Treasury Internal Revenue Service	**Schedule of Contributors** ▶ **Attach to Form 990, 990-EZ, or 990-PF.**	OMB No 1545-0047 **2010**

Name of the organization	Employer identification number
THE MORTON FOUNDATION, INC.	04-3288386

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

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

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

General Rule

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

Special Rules

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

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

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

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

Name of organization: THE MORTON FOUNDATION, INC.

Employer identification number: 04-3288386

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	CAROLYN M. MORTON CHARITABLE LEAD TRUST DR. A KEITH WHITAKER,930 WINTER STREET SUITE 1500 WALTHAM, MA 02451	$ 97222.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
2	UNIVERSITY OF CHICAGO - TEMPLETON WISDOM GRANT	$ 16979.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

Name of organization	Employer identification number
THE MORTON FOUNDATION, INC.	04-3288386

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
		$	

(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
		$	

Name of organization	Employer identification number
THE MORTON FOUNDATION, INC.	04-3288386

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 columns **(a)** through **(e)** and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once. See instructions.) ▶ $

(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

(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

2010 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1 990-PF

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	FURNITURE	062905	200DB	7.00	17	857.			857.	717.		75.
2	FAX MACHINE	062905	200DB	5.00	17	382.			382.	382.		0.
3	LIGHT FIXTURE	062905	200DB	7.00	17	457.			457.	382.		40.
4	COMPUTER	050206	200DB	5.00	17	2435.			2435.	2202.		233.
5	COMPUTER	030608	200DB	5.00	17	2000.		1000.	1000.	694.		122.
6	COMPUTER	051208	200DB	5.00	17	3800.		1900.	1900.	1250.		260.
7	COMPUTER	081109	200DB	5.00	17	1490.		745.	745.	149.		238.
8	COMPUTER	022310	200DB	5.00	17	1989.		995.	994.	199.		318.
9	LAPTOP COMPUTER	011811	200DB	5.00	19B	760.		760.				760.
10	PRINTER	030111	200DB	5.00	19B	207.		207.				207.
11	IPAD	050311	200DB	5.00	19B	870.		870.				870.
	* TOTAL 990-PF PG 1 DEPR					15247.		6477.	8770.	5975.	0.	3123.

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
SCHWAB MONEY MARKET	12.
SCHWAB MONEY MARKET	3.
SCHWAB VALUE ADVANAGE MONEY MKT	5.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	20.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ABBOTT LABS	40.	0.	40.
ABBOTT LABS 5.875%	734.	0.	734.
ACCRUED INTEREST PAID ON BOND PURCHASES	-2954.	0.	-2954.
AMERIPRISE FINANCIAL	148.	0.	148.
AMERISOURCEBERGEN	112.	0.	112.
ANGLO AMERN PLC	86.	0.	86.
ANNALY CAPITAL MGMMT REIT	592.	0.	592.
AT&T BOND	734.	0.	734.
BAE SYSTEMS PLC	343.	0.	343.
BANK OF AMERICA	7.	0.	7.
BRADY CORPORATION	112.	0.	112.
BRINKER INTL INC	210.	0.	210.
CARDINAL HEALTH	74.	0.	74.
CHEVRON	180.	0.	180.
CISCO	25.	0.	25.
CITIGROUP	1.	0.	1.
CLAYMORE EXCH TRADED FD	34.	0.	34.
COHEN & STEERS INST REALTY	212.	0.	212.
CONAGRA FOODS	170.	0.	170.
CORE LABORATORIES	10.	0.	10.
DEL MONTE FOODS	49.	0.	49.
DFA EMERGING MKTS PORT	341.	0.	341.
DFA INTL SMALL CAP VALUE	5.	0.	5.
DFA US SMALL CAP VALUE	28.	0.	28.
DONNELLEY R R & SONS	286.	0.	286.
DR PEPPER SNAPPLE GROUP	100.	0.	100.
DWS RREEFF REAL EST NEXX	1197.	0.	1197.
EASTMAN CHEMICAL	94.	0.	94.
EATON VANCE FLOATING RATE	717.	0.	717.
ENCANA CORPORATION	24.	0.	24.
ENDURANCE SPECALTY HLDGF	280.	0.	280.
ENSCO INTL LTD ADR	91.	0.	91.
EXXON MOBIL	228.	0.	228.

FIRST TR STRATEGIC HIGH	106.	0.	106.
FIRST TR STRTGC HI INCM	173.	0.	173.
GAP INC	115.	0.	115.
GE	224.	0.	224.
GE CAP CORP MEIUM TRNACH	118.	0.	118.
GLAXOSMITHKLINE	178.	0.	178.
GOVERNMENT PPTY ICCM TR	282.	0.	282.
GUGGENHEIM EXH TRD FD	60.	0.	60.
HELMERICH & PAYNE	23.	0.	23.
HERSHEY COMPANY	80.	0.	80.
HP	46.	0.	46.
IBM	168.	0.	168.
ING INTL REAL ESTATE FD	300.	0.	300.
INTEL	315.	0.	315.
ISARES MSCI EMU INDX FD	736.	0.	736.
ISARES MSCI S F INDX	128.	0.	128.
ISHARES MSCI CDEA INX FD CANADA	257.	0.	257.
ISHARES MSCI JPN IDX	262.	0.	262.
ISHARES MSCI KOREA	58.	0.	58.
ISHARES MSCI PAC EX JAPNPACIFIC	635.	0.	635.
ISHARES MSCI SWITZRLND	138.	0.	138.
ISHARES MSCI TURKEY	120.	0.	120.
ISHARES MSCI UTD KINGDM	517.	0.	517.
ISHARES S&P GLOBAL	69.	0.	69.
ISHARES TR BARCLAYS BOND	128.	0.	128.
ISHARES TR BARCLAYS BOND	251.	0.	251.
ISHARES TR MSCI EAFE FD	255.	0.	255.
ISHARES TR S&P BARRA GROWTH	616.	0.	616.
ISHARES TR S&P BARRA VALUE	258.	0.	258.
ISHARES TR S&P LATN AMER	351.	0.	351.
ISHARES TRUST S&P NATL AMT	467.	0.	467.
JOHNSON & JOHNSON	330.	0.	330.
JP MORGAN CHASE	60.	0.	60.
JP MORGAN CHASE 4.95%	619.	0.	619.
KIMBERLY CLARK	231.	0.	231.
KRONOS WORLDWIDE	109.	0.	109.
L-3 COMMUNICATIONS	117.	0.	117.
LILLY ELI	147.	0.	147.
LUBRIZOL	50.	0.	50.
MARKET VECTORS	37.	0.	37.
MARKET VECTORS ETF TRUST RUSSIA	36.	0.	36.
MERCURY GENERAL	204.	0.	204.
MERRILL LYNCH CO INC MTN BE VR	46.	0.	46.
MICROSOFT CORP DUTCH TENDER	157.	0.	157.
MORFOLK SOUTHERN	88.	0.	88.
MORGAN STANLEY 5.375%	672.	0.	672.
MORGAN STANLEY INTL RE	18.	0.	18.
MORGAN STANLEY US RE	621.	0.	621.
NOKIA	703.	0.	703.
NYSE EURONEXT	108.	0.	108.
ORACLE CORP	69.	0.	69.
OWENS & MINOR	68.	0.	68.
P&G	201.	0.	201.
PFIZER	140.	0.	140.

PIMCO COMMODITY REAL RETURN	879.	0.	879.
PIMCO EMER MKTS CURRENCY	100.	0.	100.
PIMCO FOREIGN BOND	1454.	0.	1454.
PIMCO HIGH YIELD	1646.	0.	1646.
PIMCO TOTAL RETURN	6851.	1272.	5579.
PNC FINL SERVICES	50.	0.	50.
POLARIS	171.	0.	171.
POWERSHARES ETF INTL CORP	162.	0.	162.
POWERSHARES ETF TREMERGIN MKTS	324.	0.	324.
POWERSHARES ETF TRHIGH YIELD	234.	0.	234.
POWERSHARES EXCH TRAD FD BUILD AMERICA	258.	0.	258.
PROVIDENT ENERGY	130.	0.	130.
QUESTAR	162.	0.	162.
QWEST	456.	0.	456.
RAYMOND JAMES	112.	0.	112.
RYDEX ETR TRUST	2.	0.	2.
SANOFI SYNTHELABO	547.	0.	547.
SASOL LIMITED	120.	0.	120.
SEADRILL	887.	0.	887.
SECTOR SPDR TR CON STPLS	29.	0.	29.
SPDR BARCLAYS CAPITA HIGH YLD	420.	42.	378.
SPDR DOW JONES INTLE RE	410.	0.	410.
SPDR S&P EMERGING ASIA	1300.	901.	399.
SPDR S&P ETF	1959.	0.	1959.
SUBERVALU	68.	0.	68.
TEEKAY	221.	0.	221.
TEVA PHARM INDS	22.	0.	22.
TIME WARNER CABLE	286.	0.	286.
TIMKEN COMPANY	137.	0.	137.
TRAVELERS COMPANIES	86.	0.	86.
VALSPAR	32.	0.	32.
VANGUARD INFLATION PROTECTED	67.	0.	67.
VANGUARD INTL EQTY	353.	0.	353.
VANGUARD MSCI EMERGING MARKETS	344.	0.	344.
VANGUARD REIT	340.	0.	340.
VANGUARD S/T INVESMENT GRADE	1773.	166.	1607.
VERIZON	195.	0.	195.
WACHOVIA CORP FLT 2013 NOTES	62.	0.	62.
WALGREEN	137.	0.	137.
WELLPOINT INC 5.25%	656.	0.	656.
WELLS FARGO BK 6.45XXX	806.	0.	806.
WILLIAMS COMPANIES	275.	0.	275.
WISDOMTREE DREYFUS	147.	110.	37.
WISDOMTREE EQUITY	317.	0.	317.
WISDOMTREE TOTAL DIVIDND	192.	0.	192.
WISDOMTREE TRUST CHINESE YUAN	44.	44.	0.
WSTRN ASSET EMERGNG MKTS	388.	0.	388.
XEROX	59.	0.	59.
XL GROUP	33.	0.	33.
TOTAL TO FM 990-PF, PART I, LN 4	42278.	2535.	39743.

FORM 990-PF — OTHER INCOME — STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
MISC UNIDENTIFIED DEPOSIT	270.	270.	270.
TOTAL TO FORM 990-PF, PART I, LINE 11	270.	270.	270.

FORM 990-PF — LEGAL FEES — STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	4782.	0.	0.	4782.
TO FM 990-PF, PG 1, LN 16A	4782.	0.	0.	4782.

FORM 990-PF — OTHER PROFESSIONAL FEES — STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISOR FEES	6889.	6889.	6889.	0.
TO FORM 990-PF, PG 1, LN 16C	6889.	6889.	6889.	0.

FORM 990-PF — TAXES — STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX ON INVESTMENT INCOME	451.	0.	0.	451.
FOREIGN TAX	267.	0.	0.	267.
TO FORM 990-PF, PG 1, LN 18	718.	0.	0.	718.

FORM 990-PF OTHER EXPENSES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MASS FORM PC FILING FEE	70.	0.	0.	70.
SUPPLIES	302.	0.	0.	302.
CHARITABLE PROGRAMS SEE STATEMENT 7	64339.	0.	0.	64339.
BANK CHARGES	25.	0.	0.	25.
ANNUAL MEETING BOARD	1537.	0.	0.	1537.
MAINE ANNUAL REPORTS	110.	0.	0.	110.
MISC	657.	0.	0.	657.
TO FORM 990-PF, PG 1, LN 23	67040.	0.	0.	67040.

FOOTNOTES STATEMENT 8

COLUMN (D), LINE 24 OF PART I INCLUDES AMOUNTS FOR CHARITABLE PROGRAMS CONDUCTED DIRECTLY BY THE FOUNDATION. SEE PART IX-A FOR DETAILS.

PART VIII DISCLOSES COMPENSATION PAID TO OFFICERS, ETC. DURING THE YEAR. $0.00 WAS PAID TO ANY OFFICER, DIRECTOR ETC., FOR SUCH DUTIES.

COMPENSATION WAS PAID FOR SERVICES PROVIDED BY INDIVIDUALS WHO ARE OFFICERS, DIRECTORS, ETC., FOR SERVICES THEY PROVIDE IN CARRYING OUT THE DIRECT CHARITABLE ACTIVITIES OF THE FOUNDATION. THIS COMPENSATION INCLUDED THE FOLLOWING:
CAROLYN M. SAYWARD $29820
CHRISTINA C.M. WHITAKER $775
A. KATHLEEN HASTINGS $8700

FORM 990-PF CORPORATE STOCK STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SCHWAB SEE ATTACHED	1151343.	1226428.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1151343.	1226428.

FORM 990-PF CORPORATE BONDS STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SCHWAB SEE ATTACHED	234585.	235730.
TOTAL TO FORM 990-PF, PART II, LINE 10C	234585.	235730.

FORM 990-PF OTHER INVESTMENTS STATEMENT 11

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SCHWAB SEE ATTACHED	COST	190072.	197488.
TOTAL TO FORM 990-PF, PART II, LINE 13		190072.	197488.

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 12

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
FURNITURE	857.	792.	65.
FAX MACHINE	382.	382.	0.
LIGHT FIXTURE	457.	422.	35.
COMPUTER	2435.	2435.	0.
COMPUTER	2000.	1816.	184.
COMPUTER	3800.	3410.	390.
COMPUTER	1490.	1132.	358.
COMPUTER	1989.	1512.	477.
LAPTOP COMPUTER	760.	760.	0.
PRINTER	207.	207.	0.
IPAD	870.	870.	0.
TOTAL TO FM 990-PF, PART II, LN 14	15247.	13738.	1509.

FORM 990-PF SUMMARY OF DIRECT CHARITABLE ACTIVITIES STATEMENT 13

ACTIVITY ONE

GIRLFORMATION: QUARTERLY NEWSLETTER WRITTEN FOR AND ABOUT MAINE'S GIRLS. DISTRIBUTED TO EVERY ELEMENTARY, MIDDLE & HIGH SCHOOL IN MAINE. FURTHER INFORMATION, INCLUDING MISSION STATEMENT, AND RECAP OF ACTIVITIES CAN BE VIEWED AT THE WEBSITE WWW.GIRLFORMATION.COM RELATED ACTIVITIES OF GIRLFORMATION INCLUDE: BODY IMAGE CAMPS THAT ALLOW PARTICIPANTS TO COME TOGETHER AND ENGAGE IN SPECIFIC ACTIVITIES THAT ARE CENTERED ON ENCOURAGING POSITIVE BODY IMAGE. HEALTHY RELATIONSHIP CAMPS THAT ALLOW TEENAGE GIRLS TO GET TO DISCUSS POSITIVE PEER RELATIONSHIPS AND TO EDUCATE ABOUT ABUSE WITHIN RELATIONSHIPS AND FRIENDSHIPS. MAKING CENTS OF MONEY CAMPS PROVIDE AN INTRODUCTIORY OUTLINE TO PERSONAL FINANCE TO TEENAGE GIRLS. YOGA CLUB IS A GIRLFORMATION COLLABORATION WHICH OFFERS YOGA CLASSES TO GIRLS AT WELLS-OGUNQUIT SCHOOLS. BOOK CLUB IS ANOTHER COLLABORATION UNDER WHICH GIRLFORMATION IS SHARING BOOKS AT NO COST TO LOCAL SCHOOLS, WHICH HAVE INCLUDED ELEMENTARY SCHOOLS IN THE WELLS-OGUNQUIT AREA.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 1	64339.

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization 990-PF

(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2010

Attachment Sequence No **67**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
THE MORTON FOUNDATION, INC.	FORM 990-PF PAGE 1	04-3288386

Part I **Election To Expense Certain Property Under Section 179** **Note:** *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount (see instructions)	1	500000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2000000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7			
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7			8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8			9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562			10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5			11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11			12	
13	Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12 ▶	13			

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not** include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	1837.
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III **MACRS Depreciation (Do not** include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	1286.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B - Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b)	(c)	(d)	(e)	(f)	(g)
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV **Summary** (See instructions.)

21	Listed property. Enter amount from line 28			21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.			22	3123.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23			

Part V **Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* **only** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A - Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.***)**

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use						25		
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.*

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2010 tax year:					
43 Amortization of costs that began before your 2010 tax year				43	
44 **Total.** Add amounts in column (f). See the instructions for where to report				44	

Form **8868**
(Rev. January 2011)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

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

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ [X]
- 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	Name of exempt organization	Employer identification number
	THE MORTON FOUNDATION, INC.	04-3288386
File by the due date for filing your return See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. C/O CAROLYN SAYWARD 15 OSPREY LANE	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. YORK, ME 03909	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

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 (sec. 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 ▶ CAROLYN M. SAYWARD 15 OSPREY LANE - YORK, ME 03909
  Telephone No. ▶ 207-361-2525 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 FEBRUARY 15, 2012 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ [ ] calendar year ______ or
▶ [X] tax year beginning JUL 1, 2010 , and ending JUN 30, 2011 .

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**	$ 1184.
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**	$ 568.
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**	$ 616.

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.