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Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No. 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning **JUL 1, 2010** and ending **JUN 30, 2011****B** Check if applicable

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☒ Amended return
☐ Application pending

C Name of organization

AMERICAN LEGACY FOUNDATION

Doing Business As

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

1724 MASSACHUSETTS AVENUE, NW

City or town, state or country, and ZIP + 4

WASHINGTON, DC 20036

F Name and address of principal officer: CHERYL G. HEALTON, DR.P.H

SAME AS C ABOVE

D Employer identification number

91-1956621

E Telephone number

(202) 454-5555

G Gross receipts \$

81,552,727.

H(a) Is this a group return

for affiliates?

☐ Yes ☒ No**H(b)** Are all affiliates included?☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶Tax-exempt status ☒ 501(c)(3) ☐ 501(c)() (insert no.) ☐ 4947(a)(1) or ☐ 527

Website: ▶ HTTP://WWW.LEGACYFORHEALTH.ORG

Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation: 1999**M** State of legal domicile: DE**Part I** Summary**1** Briefly describe the organization's mission or most significant activities. LEGACY'S MISSION IS TO BUILD A

WORLD WHERE YOUNG PEOPLE REJECT TOBACCO AND ANYONE CAN QUIT. THE

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets**3** Number of voting members of the governing body (Part VI, line 1a)**3** 11**4** Number of independent voting members of the governing body (Part VI, line 1b)**4** 11**5** Total number of individuals employed in calendar year 2010 (Part V, line 2a)**5** 167**6** Total number of volunteers (estimate if necessary)**6** 0**7a** Total unrelated business revenue from Part VIII, column (C), line 12**7a** 1,058,434.**b** Net unrelated business taxable income from Form 990-T, line 34**7b** 785,059.

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	3,766,128.	2,345,138.
9 Program service revenue (Part VIII, line 2g)	0.	0.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	41,485,791.	74,286,518.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	918,296.	1,625,744.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	46,170,215.	78,257,400.
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	6,949,566.	5,952,139.
14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	14,435,548.	14,960,478.
16a Professional fundraising fees (Part IX, column (A), line 11e)	195,750.	161,985.
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,459,314.		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	57,014,017.	45,776,384.
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	78,594,881.	66,850,986.
19 Revenue less expenses Subtract line 18 from line 12	<32,424,666.>	11,406,414.
	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	976,728,948.	1,100,583,351.
21 Total liabilities (Part X, line 26)	63,414,239.	60,977,715.
22 Net assets or fund balances Subtract line 21 from line 20	913,314,709.	1,039,605,636.

Part II Signature Block

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 officer) is based on all information of which preparer has any knowledge.

Sign Here ▶ *Anthony O'Toole* Signature of officer **3/10/15** Date

▶ ANTHONY O'TOOLE, EVP, CFIO Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name **WILLIAM E. TURCO, CPA** Preparer's signature *William E. Turco* Date **MAR 10 2015** Check if self-employed ☐ PTIN

Firm's name ▶ **MCGLADREY LLP** Firm's EIN ▶

Firm's address ▶ **9737 WASHINGTONIAN BLVD., #400** Phone no **(301) 296-3600**
GAITHERSBURG, MD 20878-7340

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ NoNO STATUTE ISSUE
Kathy M Gallegos
0436558083MAR 31 2015
GLOZ I I RWM
Activities & Governance

SCANNED APR 6 2015

MAR 27 2015

BRANCH
OGDEN

916

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

☒ X**1** Briefly describe the organization's mission

LEGACY IS DEDICATED TO BUILDING A WORLD WHERE YOUNG PEOPLE REJECT TOBACCO AND ANYONE CAN QUIT. LOCATED IN WASHINGTON, DC, THIS GROUND-BREAKING NATIONAL PUBLIC HEALTH ORGANIZATION HELPS AMERICANS TO LIVE LONGER, HEALTHIER LIVES. LEGACY DEVELOPS PROGRAMS THAT ADDRESS

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code _____) (Expenses \$ 30,908,938, including grants of \$ 1,500,) (Revenue \$ _____)
COUNTER MARKETING & PUBLIC EDUCATION

THE FOUNDATION'S PROGRAMS INCLUDE TRUTH, A NATIONAL YOUTH SMOKING PREVENTION CAMPAIGN THAT HAS BEEN CITED AS HAVING CONTRIBUTED TO SIGNIFICANT DECLINES IN YOUTH SMOKING; EX, AN INNOVATIVE PUBLIC HEALTH PROGRAM DESIGNED TO SPEAK TO SMOKERS IN THEIR OWN LANGUAGE AND CHANGE THE WAY THEY APPROACH QUITTING; AND RESEARCH INITIATIVES EXPLORING THE CAUSES, CONSEQUENCES AND APPROACHES TO REDUCING TOBACCO USE.

THE MARKETING DEPARTMENT PRODUCES THESE CAMPAIGNS IN SUPPORT OF LEGACY'S MISSION AS WELL TO PROMOTE THE OVERALL LEGACY BRAND AMONG KEY AUDIENCES, WORKING IN COLLABORATION WITH A GROUP OF OUTSIDE AGENCIES. THE DEPARTMENT DEVELOPS ADVERTISEMENTS FOR PRINT, RADIO, TV, WEB, MOBILE

4b (Code _____) (Expenses \$ 5,662,920, including grants of \$ 5,137,847,) (Revenue \$ _____)
GRANTS

HISTORICALLY, LEGACY HAS AWARDED GRANTS AND CONTRACTS ON TWO LEVELS: IN RESPONSE TO NATIONAL CALLS FOR PROPOSALS, AND THROUGH A RESPONSIVE DIRECTED GRANT MAKING MODE. EACH GRANT OR CONTRACT AIMS TO AFFECT ONE OR MORE OF THE FOUNDATION'S GOALS.

IN FEBRUARY, 2009, LEGACY'S BOARD OF DIRECTORS MADE A DECISION TO DISCONTINUE ITS NATIONAL CALLS FOR PROPOSALS FOR THE GRANT-MAKING PROGRAM, WITH THE LAST CYCLE AWARDED IN SUMMER, 2009. ALL CURRENT EXISTING GRANTS WILL BE SUPPORTED UNTIL THE GRANT HAS ENDED, PER CONTRACTUAL AGREEMENT. THE FOUNDATION WILL CONTINUE TO PROVIDE DIRECTED GRANT MAKING ON A VERY LIMITED BASIS.

4c (Code _____) (Expenses \$ 2,831,112, including grants of \$ 2,000,) (Revenue \$ _____)
SCHROEDER INSTITUTE FOR TOBACCO RESEARCH AND POLICY STUDIES

RESEARCH INVESTIGATORS IN THE SCHROEDER INSTITUTE (SI) CONDUCT BASIC, APPLIED, AND POLICY RESEARCH THAT CAN BE HARNESSSED TO MAKE A TIMELY AND EFFICIENT PUBLIC HEALTH IMPACT ON REDUCING POPULATION TOBACCO USE PREVALENCE. THE SI ALSO PLAYS A LEADERSHIP ROLE IN STRENGTHENING THE NATIONAL AGENDA FOR NEXT-GENERATION TOBACCO CONTROL RESEARCH BY CONVENING AN ONGOING SERIES OF CONSENSUS CONFERENCES TO IDENTIFY CRITICAL KNOWLEDGE GAPS AND PRESSING RESEARCH PRIORITIES.

4d Other program services (Describe in Schedule O)

(Expenses \$ 10,364,580, including grants of \$ 810,792,) (Revenue \$ _____)

4e Total program service expenses **▶** 49,767,550

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5 N/A	
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9	X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b X	
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	12a	X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>	12b X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	17 X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20a Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>	20a	X
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	

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Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	<input checked="" type="checkbox"/>	
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	<input checked="" type="checkbox"/>	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	<input checked="" type="checkbox"/>	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	<input checked="" type="checkbox"/>	
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		<input checked="" type="checkbox"/>
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		<input checked="" type="checkbox"/>
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		<input checked="" type="checkbox"/>
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		<input checked="" type="checkbox"/>
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		<input checked="" type="checkbox"/>
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		<input checked="" type="checkbox"/>
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		<input checked="" type="checkbox"/>
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
28a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		<input checked="" type="checkbox"/>
28b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		<input checked="" type="checkbox"/>
28c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		<input checked="" type="checkbox"/>
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		<input checked="" type="checkbox"/>
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		<input checked="" type="checkbox"/>
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		<input checked="" type="checkbox"/>
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		<input checked="" type="checkbox"/>
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	<input checked="" type="checkbox"/>	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		<input checked="" type="checkbox"/>
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		<input checked="" type="checkbox"/>
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		<input checked="" type="checkbox"/>
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		<input checked="" type="checkbox"/>
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	<input checked="" type="checkbox"/>	

Note. All Form 990 filers are required to complete Schedule O

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Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☒

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	X	
4b	If "Yes," enter the name of the foreign country: <u>SEE SCHEDULE O</u> See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	X	
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	X	
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year.		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? N/A		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966? N/A		
9b	Did the organization make a distribution to a donor, donor advisor, or related person? N/A		
10	Section 501(c)(7) organizations. Enter		
10a	Initiation fees and capital contributions included on Part VIII, line 12. N/A		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders. N/A		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year. N/A		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	Is the organization licensed to issue qualified health plans in more than one state? N/A Note. See the instructions for additional information the organization must report on Schedule O.		
13b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.		
13c	Enter the amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

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Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

☒**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	11	
b Enter the number of voting members included in line 1a, above, who are independent	11	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	X	
6 Does the organization have members or stockholders?		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13 Does the organization have a written whistleblower policy?	X	
14 Does the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	X	
b Other officers or key employees of the organization	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **AK, AL, AR, AZ, CA, CT, FL, GA, HI, IL, KS, KY**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☒ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization **▶**
ANTHONY T. O'TOOLE - (202) 454-5555
1724 MASSACHUSETTS AVENUE, NW, WASHINGTON, DC 20036

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors
Check if Schedule O contains a response to any question in this Part VII ☐
Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
HON. LAWRENCE G. WASDEN CHAIR	5.00	X		X				0.	0.	0.
SUSAN CURRY, PH.D. VICE-CHAIR	5.00	X		X				0.	0.	0.
JONATHAN E. FIELDING, M.D., M.P.H. TREASURER	5.00	X		X				0.	0.	0.
BENJAMIN K. CHU, M.D., M.P.H., MACP IMMEDIATE PAST CHAIR	5.00	X						0.	0.	0.
DONALD K. BOSWELL DIRECTOR	5.00	X						0.	0.	0.
HON. GARY R. HERBERT DIRECTOR	5.00	X						0.	0.	0.
HON. TOM MILLER DIRECTOR	5.00	X						0.	0.	0.
HON. JEREMIAH W. (JAY) NIXON DIRECTOR	5.00	X						0.	0.	0.
HON. CHARLES K. SCOTT DIRECTOR	5.00	X						0.	0.	0.
HON. LETICIA VAN DE PUTTE DIRECTOR	5.00	X						0.	0.	0.
M. CASS WHEELER DIRECTOR	5.00	X						0.	0.	0.
CHERYL G. HEALTON PRESIDENT & CEO	37.50			X				582,196.	0.	167,497.
ANTHONY T. O'TOOLE EXEC. VP & CFO	37.50			X				408,811.	0.	143,375.
ELLEN VARGYAS GENERAL COUNSEL/CORP SECR	37.50			X				303,584.	0.	103,947.
M. DAVID DOBBINS COO	37.50				X			312,601.	0.	97,594.
DAVID ABRAMS EXEC. DIR SHROEDER INSTITU	37.50				X			381,473.	0.	55,326.
ERIC ASCHE SENIOR VP, MARKETING	37.50				X			226,622.	0.	50,884.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
AMBER BULLOCK EXEC. VP PROGRAM DEVELOPMENT	37.50				X			239,368.	0.	67,095.
STEPHANIE FOSTER SENIOR VP, GOV'T AFFAIRS	37.50					X		230,895.	0.	56,114.
ROBIN KORNHABER SVP, DEVEL & CHIEF DEV.	37.50					X		231,769.	0.	55,467.
RAYMOND NIAURA ASSO. DIR., SHROEDER	37.50					X		279,150.	0.	52,393.
WILLIAM FURMANSKI SR, VP, COLLABORATION	37.50					X		214,144.	0.	38,705.
DONNA VALLONE SR, VP, RESEARCH	37.50					X		208,448.	0.	47,364.
1b Sub-total								3,619,061.	0.	935,761.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								3,619,061.	0.	935,761.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **30**

- 3** Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4	X	
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
PHD USA, 220 EAST 42ND ST., 7TH FL, NEW YORK, NY 10017	MARKETING	29,375,041.
ARNOLD WORLDWIDE LLC 101 HUNTINGTON AVE, BOSTON, MA 02199	MARKETING	4,649,487.
GSD&M IDEA CITY LLC PO BOX 685095, AUSTIN, TX 78703	MARKETING	3,407,087.
GTM INC. 239 WALKER ST., ATLANTA, GA 30313	MARKETING	988,431.
WESTAT, INC 1650 RESEARCH BLVD., ROCKVILLE, MD 20850	RESEARCH	562,850.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **29**

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	1,723,365.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	621,773.				
	g Noncash contributions included in lines 1a-1f \$						
	h Total. Add lines 1a-1f			2,345,138.			
Program Service Revenue		Business Code					
	2 a						
	b						
	c						
	d						
	e						
	f All other program service revenue						
g Total. Add lines 2a-2f							
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			14,208,037.			14,208,037.
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
		(i) Real	(ii) Personal				
	6 a Gross Rents	4,333,020.					
	b Less rental expenses	3,295,327.					
	c Rental income or (loss)	1,037,693.					
	d Net rental income or (loss)			1,037,693.		878,926.	158,767.
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	b Less cost or other basis and sales expenses						
	c Gain or (loss)	60,078,481.					
	d Net gain or (loss)			60,078,481.			60,078,481.
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18						
	b Less direct expenses						
	c Net income or (loss) from fundraising events						
	9 a Gross income from gaming activities See Part IV, line 19						
	b Less direct expenses						
	c Net income or (loss) from gaming activities						
	10 a Gross sales of inventory, less returns and allowances						
	b Less cost of goods sold						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue		Business Code					
11 a OTHER INCOME	900099		408,543.			408,543.	
b GARAGE PARKING	812930		179,508.		179,508.		
c							
d All other revenue							
e Total. Add lines 11a-11d			588,051.				
12 Total revenue. See instructions.			78,257,400.	0.	1,058,434.	74,853,828.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	5,936,139.	5,936,139.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	16,000.	16,000.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	3,191,194.	2,013,593.	1,008,667.	168,934.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	8,588,202.	5,394,199.	2,742,634.	451,369.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	1,204,890.	771,871.	367,706.	65,313.
9 Other employee benefits	1,322,877.	847,457.	403,712.	71,708.
10 Payroll taxes	653,315.	418,524.	199,377.	35,414.
11 Fees for services (non-employees)				
a Management				
b Legal	150,879.		150,879.	
c Accounting	189,430.		189,430.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	161,985.			161,985.
f Investment management fees	6,478,799.		6,478,799.	
g Other	32,170,326.	31,826,405.	307,078.	36,843.
12 Advertising and promotion	49,574.	42,920.	6,454.	200.
13 Office expenses	1,737,037.	569,126.	1,088,856.	79,055.
14 Information technology	230,107.	85,282.	136,936.	7,889.
15 Royalties				
16 Occupancy	508,694.	58,000.	283,272.	167,422.
17 Travel	739,364.	523,436.	159,982.	55,946.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	707,467.	503,819.	145,605.	58,043.
20 Interest	1,046,959.		1,046,959.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	854,384.	5,610.	848,774.	
23 Insurance	343,364.	82,130.	260,801.	433.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a INCOME TAX EXPENSE	319,707.		319,707.	
b OTHER EXPENSES	208,531.	114,184.	43,823.	50,524.
c BOND ISSUANCE AMORTIZAT	34,262.		34,262.	
d HONORARIUM	7,500.	6,000.	1,500.	
e ALLOCATED OVERHEAD	0.	552,855.	<601,091.>	48,236.
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	66,850,986.	49,767,550.	15,624,122.	1,459,314.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	500.	1	500.
	2 Savings and temporary cash investments	122,650,213.	2	131,443,859.
	3 Pledges and grants receivable, net	473,337.	3	239,185.
	4 Accounts receivable, net	193,790.	4	129,849.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	48,983.	8	22,818.
	9 Prepaid expenses and deferred charges	355,216.	9	380,746.
	10a Land, buildings, and equipment. Cost or other basis. Complete Part VI of Schedule D	10a 65,848,522.		
	b Less: accumulated depreciation	10b 12,869,518.		
		54,417,811.	10c	52,979,004.
	11 Investments - publicly traded securities	322,856,877.	11	388,070,008.
	12 Investments - other securities. See Part IV, line 11	474,737,843.	12	500,669,778.
	13 Investments - program-related. See Part IV, line 11		13	
Liabilities	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	994,378.	15	26,647,604.
	16 Total assets. Add lines 1 through 15 (must equal line 34)	976,728,948.	16	1,100,583,351.
	17 Accounts payable and accrued expenses	6,640,321.	17	6,990,363.
	18 Grants payable	111,500.	18	143,870.
	19 Deferred revenue	618,624.	19	58,134.
	20 Tax-exempt bond liabilities	28,000,000.	20	28,000,000.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
Net Assets or Fund Balances	24 Unsecured notes and loans payable to unrelated third parties	21,955,308.	24	20,614,525.
	25 Other liabilities. Complete Part X of Schedule D	6,088,486.	25	5,170,823.
	26 Total liabilities. Add lines 17 through 25	63,414,239.	26	60,977,715.
	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	913,314,709.	27	1,039,605,636.
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
Net Assets or Fund Balances	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	913,314,709.	33	1,039,605,636.
	34 Total liabilities and net assets/fund balances	976,728,948.	34	1,100,583,351.

Form **990** (2010)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	78,257,400.
2	Total expenses (must equal Part IX, column (A), line 25)	2	66,850,986.
3	Revenue less expenses Subtract line 2 from line 1	3	11,406,414.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	913,314,709.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	114,884,513.
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	1,039,605,636.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

☐

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
- b** Were the organization's financial statements audited by an independent accountant?
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
- d** If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both
☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		x
2b	x	
2c	x	
3a	x	
3b	x	

Form **990** (2010)

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

AMERICAN LEGACY FOUNDATION

Employer identification number

91-1956621

Part I	Reason for Public Charity Status (All organizations must complete this part) See instructions
---------------	---

The organization is not a private foundation because it is (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f ☐ If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box _____

g ☐ Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) ☐ A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii) ☐ A family member of a person described in (i) above?

(iii) ☐ A 35% controlled entity of a person described in (i) or (ii) above?

h ☐ Provide the following information about the supported organization(s):

[illegible]

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

Schedule A (Form 990 or 990-EZ) 2010

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	44,437,165.	49,606,249.	4,710,307.	3,766,128.	2,576,538.	105,096,387.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	44,437,165.	49,606,249.	4,710,307.	3,766,128.	2,576,538.	105,096,387.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						105,096,387.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	44,437,165.	49,606,249.	4,710,307.	3,766,128.	2,576,538.	105,096,387.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	30,672,725.	32,641,963.	20,736,219.	16,807,876.	14,870,989.	115,729,772.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	204,114.		435,502.	240,970.		880,586.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)				48,143.	158,543.	206,686.
11 Total support. Add lines 7 through 10						221,913,431.
12 Gross receipts from related activities, etc. (see instructions)					12	1,943,977.

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	47.36 %
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	52.54 %

16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ☒

b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ☐

17a 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ☐

b 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ☐

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ☐

Schedule A (Form 990 or 990-EZ) 2010

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

b 33 1/3% support tests - 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

SCHEDULE D

(Form 990)

Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**

▶ Complete if the organization answered "Yes," to Form 990,

Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010Open to Public
Inspection

Name of the organization

AMERICAN LEGACY FOUNDATION

Employer identification number

91-1956621

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the

organization answered "Yes" to Form 990, Part IV, line 6

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations
 d ☐ Loan or exchange programs
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table.

- c Beginning balance
 d Additions during the year
 e Distributions during the year
 f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ☐ _____ %
 b Permanent endowment ☐ _____ %
 c Term endowment ☐ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
 (ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		13,533,773.		13,533,773.
b Buildings		47,067,039.	8,373,144.	38,693,895.
c Leasehold improvements				
d Equipment		2,242,837.	1,946,087.	296,750.
e Other		3,004,873.	2,550,287.	454,586.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				52,979,004.

Schedule D (Form 990) 2010

Part VII Investments - Other Securities. See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) COMMINGLED/Common Trust Funds	230,174,630.	END-OF-YEAR MARKET VALUE
(B) Hedge Funds	66,001,979.	END-OF-YEAR MARKET VALUE
(C) Funds of Funds	68,159,471.	END-OF-YEAR MARKET VALUE
(D) Private Equity Funds	63,904,246.	END-OF-YEAR MARKET VALUE
(E) Private Equity Funds of Funds	72,429,452.	END-OF-YEAR MARKET VALUE
(F)		
(G)		
(H)		
(I)		
Total (Col (b) must equal Form 990, Part X, col (B) line 12.)	500,669,778.	

Part VIII Investments - Program Related. See Form 990, Part X, line 13

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total (Col (b) must equal Form 990, Part X, col (B) line 13.)		

Part IX Other Assets. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total (Column (b) must equal Form 990, Part X, col (B) line 15.)	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) SECURITY DEPOSITS PAYABLE	71,196.
(3) INTEREST RATE SWAP	3,995,688.
(4) DEFERRED COMPENSATION	1,031,470.
(5) REFUNDABLE ADVANCES	72,469.
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total (Column (b) must equal Form 990, Part X, col (B) line 25.)	5,170,823.

FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	78,257,400.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	66,850,986.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	11,406,414.
4	Net unrealized gains (losses) on investments	4	114,292,396.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	592,117.
9	Total adjustments (net) Add lines 4 through 8	9	114,884,513.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	126,290,927.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	189,366,324.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	114,292,396.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	114,292,396.
3	Subtract line 2e from line 1	3	75,073,928.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	6,478,799.
b	Other (Describe in Part XIV.)	4b	<3,295,327.>
c	Add lines 4a and 4b	4c	3,183,472.
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	78,257,400.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	63,075,397.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	2,703,210.
e	Add lines 2a through 2d	2e	2,703,210.
3	Subtract line 2e from line 1	3	60,372,187.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	6,478,799.
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	6,478,799.
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	66,850,986.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2: THE FOUNDATION IS GENERALLY EXEMPT FROM FEDERAL INCOME

TAX UNDER INTERNAL REVENUE CODE (IRC) SECTION 501(C)(3). IN ADDITION, THE

FOUNDATION HAS BEEN CLASSIFIED AS AN ORGANIZATION THAT IS NOT A PRIVATE

FOUNDATION, INCOME WHICH IS NOT RELATED TO ITS EXEMPT PURPOSES, LESS

APPLICABLE DEDUCTIONS, IS SUBJECT TO FEDERAL AND STATE CORPORATE INCOME

TAXES, THE COMPANY IS A SINGLE-MEMBER, LIMITED LIABILITY COMPANY (LLC)

AND, AS SUCH, IS A "DISREGARDED ENTITY" FOR FEDERAL INCOME TAX PURPOSES,

PURSUANT TO SECTION 7701 OF THE IRC, THE FOUNDATION HAD UNRELATED BUSINESS

Part XIV Supplemental Information (continued)

INCOME RELATED TO DEBT FINANCED RENTAL INCOME DURING THE YEARS ENDED JUNE

30, 2011 AND 2010.

THE FOUNDATION FOLLOWS THE ACCOUNTING STANDARD ON ACCOUNTING FOR

UNCERTAINTY IN INCOME TAXES, WHICH ADDRESSES THE DETERMINATION OF WHETHER

TAX BENEFITS CLAIMED OR EXPECTED TO BE CLAIMED ON A TAX RETURN SHOULD BE

RECORDED IN THE FINANCIAL STATEMENTS. UNDER THIS GUIDANCE, THE FOUNDATION

MAY RECOGNIZE THE TAX BENEFIT FROM AN UNCERTAIN TAX POSITION ONLY IF IT IS

MORE-LIKELY-THAN-NOT THAT THE TAX POSITION WILL BE SUSTAINED ON

EXAMINATION BY TAXING AUTHORITIES, BASED ON THE TECHNICAL MERITS OF THE

POSITION, THE TAX BENEFITS RECOGNIZED IN THE FINANCIAL STATEMENTS FROM

SUCH A POSITION ARE MEASURED BASED ON THE LARGEST BENEFIT THAT HAS A

GREATER THAN 50 PERCENT LIKELIHOOD OF BEING REALIZED UPON ULTIMATE

SETTLEMENT. THE GUIDANCE ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES

ALSO ADDRESSES DE-RECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES ON

INCOME TAXES, AND ACCOUNTING IN INTERIM PERIODS.

MANAGEMENT EVALUATED THE FOUNDATION'S TAX POSITIONS AND CONCLUDED THAT THE

FOUNDATION HAD TAKEN NO UNCERTAIN TAX POSITIONS THAT REQUIRE ADJUSTMENT TO

THE FINANCIAL STATEMENTS TO COMPLY WITH THE PROVISIONS OF THIS GUIDANCE.

GENERALLY, THE FOUNDATION IS NO LONGER SUBJECT TO INCOME TAX EXAMINATIONS

BY THE U.S. FEDERAL, STATE OR LOCAL TAX AUTHORITIES FOR YEARS BEFORE 2008.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

UNREALIZED GAIN ON SWAPS 592,117.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

RENTAL EXPENSES REPORTED ON LINE 6B -3,295,327.

Part XIV Supplemental Information (continued)

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

RENTAL EXPENSES REPORTED ON LINE 6B 3,295,327.

UNREALIZED GAIN ON INTEREST RATE SWAP AGREEMENT -592,117.

TOTAL TO SCHEDULE D, PART XIII, LINE 2D 2,703,210.

1 (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,
or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.**

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2010

Open To Public Inspection

Name of the organization

AMERICAN LEGACY FOUNDATION

Employer identification number

91-1956621

Part I

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a ☒ Mail solicitations
- b ☒ Internet and email solicitations
- c ☐ Phone solicitations
- d ☒ In-person solicitations
- e ☒ Solicitation of non-government grants
- f ☒ Solicitation of government grants
- g ☒ Special fundraising events

- 2 a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

☒ Yes☐ No

- b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
MK DIRECT MKTG COMM - 301 EAST MARKET STREET,	DEVELOP.& MGMT OF ON-LINE & DIRECT APPEALS		X	0.	98,965.	<98,965.>
CCS, LLC - 10630 LITTLE PATUXENT PARKWAY, BLDG 1000,	DEVELOPMENT OF DONORS		X	0.	50,000.	<50,000.>
M&R STRATEGIC SERVICES - 275 SHORELINE DRIVE, SUITE 300,	DEVELOP ON-LINE DONOR PROSPECT CAMPAIGN		X	0.	13,020.	<13,020.>
Total					161,985.	<161,985.>

- 3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

AL AK AZ AR CA CO CT DE FL GA HI ID IL IN IA KS KY LA ME MD MA MI MN MS MO

MT NE NV NH NJ NM NY NC ND OH OK OR PA RI SC SD TN TX UT VT VA WA WV WI WY

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col (a) through col (c))
		(event type)	(event type)	(total number)	
Revenue	1 Gross receipts				
	2 Less Charitable contributions				
	3 Gross income (line 1 minus line 2)				
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses				
	10 Direct expense summary Add lines 4 through 9 in column (d)				()
	11 Net income summary Combine line 3, column (d), and line 10				

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary Add lines 2 through 5 in column (d)				()
	8 Net gaming income summary. Combine line 1, column d, and line 7				

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states?

☐ Yes ☐ No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?

☐ Yes ☐ No

b If "Yes," explain _____

- 11 Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No
- 13 Indicate the percentage of gaming activity operated in
- | | | |
|-------------------------------|-----|---|
| a The organization's facility | 13a | % |
| b An outside facility | 13b | % |
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ► _____

Address ► _____

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?
- ☐
- Yes
- ☐
- No

b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____

c If "Yes," enter name and address of the third party

Name ► _____

Address ► _____

16 Gaming manager information

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions.

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions)

SCHEDULE G, PART I, LINE 2B, LIST OF TEN HIGHEST PAID FUNDRAISERS:

(I) NAME OF FUNDRAISER: MK DIRECT MKTG COMM

(I) ADDRESS OF FUNDRAISER:

301 EAST MARKET STREET, CHARLOTTESVILLE, VA 22902-5262

(I) NAME OF FUNDRAISER: CCS, LLC

(I) ADDRESS OF FUNDRAISER:

10630 LITTLE PATUXENT PARKWAY, BLDG 1000, SUITE 224, COLUMBIA, MD 21044

Part IV Supplemental Information (continued)

(I) NAME OF FUNDRAISER: M&R STRATEGIC SERVICES

(I) ADDRESS OF FUNDRAISER:

275 SHORELINE DRIVE, SUITE 300, REDWOOD CITY, CA 94065

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization

AMERICAN LEGACY FOUNDATION

Part I General Information on Grants and Assistance

Employer identification number
91-1956621

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CNMI P.O. BOX 500409 CK SAIPAH, MP 96950	19-8619463	501(C)(3)	37,108.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
C-CHANGE 3524 KNOLL HAVEN DRIVE ATLANTA, GA 30319	16-1641769	501(C)(3)	100,000.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
THE OSBORNE ASSOCIATION 380 MAIN STREET BEACON, NY 12508	13-5563028	501(C)(3)	16,153.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER, CANCER CENTER - 13001 E. 17TH PLACE MS 519, ROOM #E4343 - AURORA, CO 80045	84-6000555	501(C)(3)	26,028.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
MONTEFIORE MEDICAL CENTER AIDS CENTER - 111 E 210TH ST - BRONX, NY 10467	13-1740114	501(C)(3)	12,304.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT (KDHE) - 1000 SW JACKSON ST - TOPEKA, KS 66612	48-6029925	GOVT ENTITY	38,694.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES

2 Enter total number of section 501(c)(3) and government organizations

58.

3 Enter total number of other organizations

3.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2010)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
INSTITUTE FOR CULTURAL PARTNERSHIPS - 3211 NORTH FRONT ST., - HARRISBURG, PA 17110	25-1776294	501(C)(3)	7,053.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
ISLAMIC MEDICAL ASSOCIATION OF N.A. - 101 WEST 22 STREET - LOMBARD, IL 60148	36-4166125	501(C)(3)	11,120.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
KENTUCKY YOUTH ADVOCATES 11001 BLUEGRASS PARKWAY, STE#100 JEFFERSONTOWN, KY 40299	61-0929390	501(C)(3)	42,148.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
METRO PUBLIC HEALTH DEPARTMENT 311 23RD AVENUE NORTH NASHVILLE, TN 37203	62-0694743	501(C)(3)	6,021.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
PUBLIC HEALTH FOUNDATION ENTERPRISES - 13200 CROSSROADS PKWY NORTH, STE#135 - CITY OF INDUSTRY, CA 91746	95-2557063	501(C)(3)	35,593.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
SETON HEALTH SYSTEMS 1300 MASSACHUSETTS AVENUE TROY, NY 12180	14-1776186	501(C)(3)	18,258.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
UNITED GENERAL HOSPITAL 2000 HOSPITAL DRIVE SEDRO WOOLLEY, WA 98284	57-1212537	501(C)(3)	6,451.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
UNIVERSITY OF MASSACHUSETTS 55 LAKE AVENUE NORTH WORCESTER, MA 01655	04-3167352	501(C)(3)	14,504.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
CLINICAL OUTCOMES GROUP, INC. 307 NORTH 2ND STREET POTTSVILLE, PA 17901 LHA	73-1706131	501(C)(3)	52,855.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
COLORADO FOUNDATION FOR PUBLIC HEALTH - 9457 SOUTH UNIVERSITY BLVD., #513 - HIGHLANDS RANCH, CO 80126	84-1267213	501(C)(3)	66,908.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
NATIONAL YOUTH ADVOCACY COALITION 1638 R STREET, NW, STE. 300 WASHINGTON, DC 20009	52-2054071	501(C)(3)	73,339.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
SOUTHSIDE MEDICAL CENTER 1046 RIDGE AVENUE, SW ATLANTA, GA 30315	58-1131002	501(C)(3)	35,294.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
VENTURA COUNTY PUBLIC HEALTH 2240 E. GONZALES ROAD, STE. 210 OXNARD, CA 93035	95-6000944	501(C)(3)	32,407.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
KOKUA KALIHI VALLEY COMPREHENSIVE FAMILY - 2239 N. SCHOOL STREET - HONOLULU, HI 96819	99-0149797	501(C)(3)	53,853.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
CALIFORNIA RURAL INDIAN HEALTH BOARD - 4400 AUBURN BLVD., 2ND FLOOR - SACRAMENTO, CA 95841	23-7052541	501(C)(3)	14,674.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
UNITILLA-MORROW HEAD START 110 NE 4TH STREET HERMISTON, OR 97838	14-1368361	501(C)(3)	60,923.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
THE RESEARCH FOUNDATION OF NEW YORK (SUNY) - P.O. BOX 9 - ALBANY, NY 12201	93-0937286	501(C)(3)	50,917.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
CENTER FOR PAN ASIAN COMMUNITY SERVICES - 3760 PARK AVENUE - DORAVILLE, GA 30340	58-1437980	501(C)(3)	48,240.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES

LHA

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
JSI RESEARCH AND TRAINING INSTITUTE, INC. - 44 FARNSWORTH STREET - BOSTON, MA 02210	04-2578580	501(C)(3)	47,629.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
JOHNS HOPKINS UNIVERSITY, BLOOMBERG SCHOOL OF PUBLIC HEALTH - 624 N. BROADWAY, HAMPTON HOUSE ROOM 280B - BALTIMORE, MD 21205	52-0595110	501(C)(3)	15,337.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
DANA-FARBER CANCER INSTITUTE 44 BINNEY STREET, BP-431C BOSTON, MA 02115	04-2263040	501(C)(3)	39,168.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS - P.O. BOX 20708-0787 - SPRINGFIELD, IL 62708-0787	37-6000511	501(C)(3)	21,252.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
UNIVERSITY OF WASHINGTON 12455 COLLECTIONS DRIVE CHICAGO, IL 60693	68-0298092	501(C)(3)	6,273.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
THE TRUSTEES OF COLUMBIA UNIVERSITY - 1700 BROADWAY, 10TH FLOOR - NEW YORK, NY 10019	13-5598093	501(C)(3)	346,401.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
ROSWELL PARK ALLIANCE FOUNDATION ELM AND CARLTON STREETS BUFFALO, NY 14263	16-1391608	501(C)(3)	53,308.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
MICHIGAN PUBLIC HEALTH INSTITUTE 2390 WOODLAKE DRIVE, SUITE 360 OKEMOS, MI 48864	38-2963835	501(C)(3)	133,675.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
THE NATIONAL CENTER ON ADDICTION AND SUBSTANCE ABUSE AT COLUMBIA UNIVERSITY - 633 THIRD AVENUE - NEW YORK, NY 10017	52-1736502	501(C)(3)	56,250.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
LHA							

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
WEILL CORNELL MEDICAL COLLEGE 525 EAST 68TH STREET, BOX 586 NEW YORK, NY 10065	13-3957095	501(C)(3)	176,966.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
LUNG CANCER ALLIANCE 888 16TH STREET, SUITE 800 WASHINGTON, DC 20006	91-1821040	501(C)(3)	100,000.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
AMERICAN NON-SMOKERS RIGHTS FOUNDATION - 2530 SAN PABLO AVENUE, STE. # J - BERKELEY, CA 94702	94-2922136	501(C)(3)	128,473.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
NATIONAL BOARD OF PUBLIC HEALTH EXAMINERS - 1101 15TH STREET, NW, STE#910 - WASHINGTON, DC 20005	20-4927945	501(C)(3)	150,000.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
PARTNERSHIP FOR PREVENTION 1015 18TH STREET, NW, STE#300 WASHINGTON, DC 20036	52-1735637	501(C)(3)	426,170.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
PUBLIC HEALTH FOUNDATION 13200 CROSSROADS PKWY N STE#135 CITY OF INDUSTRY, CA 91715-0786	95-2557063	501(C)(3)	8,012.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
THE NATIONAL CENTER ON ADDICTION AND SUBSTANCE ABUSE AT COLUMBIA UNIVERSITY - 633 THIRD AVENUE - NEW YORK, NY 10017	52-1736502	501(C)(3)	353,808.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
NATIONAL COALITION ON HEALTH CARE 1120 G STREET, NW, STE#810 WASHINGTON, DC 20005	52-1687849	501(C)(3)	93,750.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
CAMPAIGN FOR TOBACCO FREE KIDS 1400 I STREET, NW, SUITE 1200 WASHINGTON, DC 20005	52-1969967	501(C)(3)	2,250,000.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES

LHA

Schedule I (Form 990)

Part II	Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II).						
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
TRUSTEES OF COLUMBIA UNIVERSITY 615 WEST 131 ST, STUDEBAKER 3FL NEW YORK, NY 10027	13-5598093	501(C)(3)	50,045.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
UCSF 919 IRVING ST., SUITE 104, UCSF BOX 0939 - SAN FRANCISCO, CA 94143-0939	94-6036493	501(C)(3)	106,147.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
NORTH AMERICAN QUITLINE CONSORTIUM 4142 E. STANFORD DRIVE PHOENIX, AZ 85018	27-0142713	501(C)(3)	20,000.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
AMERICAN ACADEMY OF PEDIATRICS 141 NORTHWEST POINT BLVD ELK GROVE VILLAGE, IL 60007	36-2275597	501(C)(3)	155,187.	0.			GENERAL SUPPORT FOR TOBACCO RELATED ISSUES
BETTY FORD CENTER EISENHOWER 39000 BOB HOPE DRIVE RANCHO MIRAGE, CA 92270	95-3863994	501(C)(3)	25,000.	0.			SPONSOR - ANN'L YOUTH ADV YR AWARD GALE 9/10 SPONSOR - ANN'L YOUTH ADV YR AWARD GALE 9/10
PARTNERSHIP FOR A DRUG FREE AMERICA - 352 PARK AVENUE SOUTH 9TH FL - NEW YORK, NY 10010	13-3413627	501(C)(3)	25,000.	0.			SPONSOR - DINNER NY 12/1 SPONSOR - DINNER NY 12/1
THE NAT'L CENTER OF ADDICTION SUBSTANCE ABUSE AT COLUMBIA - 633 THIRD AVENUE - NEW YORK, NY 10017	52-1736502	501(C)(3)	25,000.	0.			SPONSOR - 19TH ANNUAL DINNER 5/17/11
WOMEN'S POLICY, INC 409 12TH STREET, SW, SUITE # 310 WASHINGTON, DC 20024	52-1914894	501(C)(3)	25,000.	0.			SPONSOR - ANNUAL DINNER 2010 SPONSOR - ANNUAL DINNER 2010
PHOENIX HOUSE FOUNDATION 164 WEST 74TH STREET, 4TH FLOOR NEW YORK, NY 10023	23-7013149	501(C)(3)	25,000.	0.			DONATION 2010
LHA							Schedule I (Form 990)

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II)							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ATLANTIC MONTHLY GROUP, INC 600 NEW HAMPSHIRE AVE NW 4 FL WASHINGTON, DC 20037	04-3483736		20,000.	0.			SPONSOR - IDEAS FORUM DC 9/10
CAMPAIGN FOR TBCC FREE KIDS 1400 I STREET NW, SUITE #1200 WASHINGTON, DC 20005	52-1969967	501(C)(3)	20,000.	0.			SPONSOR -GALA 5/18/11
HARVARD SCHOOL OF PUBLIC HEALTH 401 PARK DRIVE, EAST ATRIUM, 3RD F BOSTON, MA 02215	04-2103580	501(C)(3)	20,000.	0.			SPONSOR - NATIONAL CONF.
SOCIETY FOR WOMEN'S HEALTH RESEARCH - 1025 CONNECTICUT AVE NW #701 - WASHINGTON, DC 20036	52-1694732	501(C)(3)	20,000.	0.			SPONSOR - ANNUAL GALA 5/9/11
BOSTON UNIVERSITY SCHOOL OF PUBLIC HEALTH - 715 ALBANY ST, 580-3RD - BOSTON, MA 02118	04-2103547	501(C)(3)	20,000.	0.			SUPPORT ONLINE NEWS & TECH, ASSIST, SVCS
APHA 800 I STREET NW WASHINGTON, DC 20001	13-1628688	501(C)(3)	12,000.	0.			SPONSOR - ANNUAL EXPO, C 11/10
OPERATION REACH, INC. 2115 CARONDELET STREET NEW ORLEANS, LA 70130	72-1451613	501(C)(3)	10,000.	0.			SPONSOR - YCC 10/10
PHOENIX HOUSE DEVELOPMENT FUND 164 W. 74TH STREET NEW YORK, NY 10023	13-3020609	501(C)(3)	10,000.	0.			SPONSOR - ANNUAL DINNER 11/10
SWIFT SOLUTION PO BOX 150790 AUSTIN, TX 78715	52-2365019		7,500.	0.			SPONSOR - 6TH NAT'L SMOKELESS & SPIT TBCC SUMMIT
LHA							

Schedule I (Form 990)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22
Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
ALMA ADAMS SCHOLARSHIP	6	15,500.	0.		
CLGBT YOUTH TBCC PREVENTION	1	500.	0.		
Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information					

SCHEDULE I, PART I, LINE 2: EACH GRANT CONTRACT IS EXECUTED AND MONITORED

BY A LEGACY ASSIGNED PROGRAM OFFICER (PO) UNTIL CLOSED, MONITORING

CONSISTS OF QUARTERLY CALLS, SITE VISITS AND PROVIDING TECHNICAL ASSISTANCE

WHEN REQUIRED, PO'S ARE ALSO RESPONSIBLE FOR ENSURING THAT THE REPORTING

OF GRANT EXPENDITURES AND DELIVERABLES MEET COMPLIANCE STANDARDS SET BY

LEGACY, EACH GRANT CONTRACT HAS A SCHEDULE OF REPORTING REQUIREMENTS.

GRANTEES ARE REQUIRED TO SUBMIT QUARTERLY REIMBURSEMENT FINANCIALS WHICH

ARE REVIEWED BY THE PO FOR CONSISTENCY WITH THE APPROVED BUDGET, ONCE

EXPENSES ARE APPROVED BY THE PO, APPROVAL OF PAYMENT IS GRANTED AND SIGNED

Part IV Supplemental Information

OFF ON BY MANAGEMENT. THE NARRATIVE REPORTING REQUIREMENTS ON THE

DELIVERABLE ACTIVITIES VARIES ACCORDING TO THE GRANTEE AND FUNDING

INITIATIVE. MINIMALLY, ALL GRANTEES ARE REQUIRED TO SUBMIT A FINAL REPORT

ON PROGRAM ACTIVITIES.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990,
Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization

AMERICAN LEGACY FOUNDATION

Employer identification number

91-1956621

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990,
Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

- | | |
|---|---|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input checked="" type="checkbox"/> Tax indemnification and gross-up payments | <input checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or
reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors,
trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's
CEO/Executive Director. Check all that apply.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing
organization or a related organization:

- a** Receive a severance payment or change-of-control payment from the organization or a related organization?
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the revenues of:

- a** The organization?
b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the net earnings of:

- a** The organization?
b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments
not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the
initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in
Regulations section 53.4958-6(c)?

Yes No

1b x

2 x

4a x

4b x

4c x

5a x

5b x

6a x

6b x

7 x

8 x

9

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2010

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 CHERYL G. HEALTON	(i) 545,006.	0.	37,190.	116,750.	58,374.	757,320.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
2 ANTHONY T. O'TOOLE	(i) 387,489.	0.	21,322.	96,750.	54,635.	560,196.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
3 ELLEN VARGAS	(i) 283,974.	0.	19,610.	76,750.	31,080.	411,414.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
4 M. DAVID DOBBINS	(i) 309,236.	0.	3,365.	76,750.	27,789.	417,140.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
5 DAVID ABRAMS	(i) 361,175.	0.	20,298.	36,750.	27,724.	445,947.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
6 ERIC ASCHE	(i) 225,596.	0.	1,026.	34,070.	28,365.	289,057.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
7 AMBER BULLOCK	(i) 238,126.	0.	1,242.	35,971.	34,782.	310,121.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
8 STEPHANIE FOSTER	(i) 228,573.	0.	2,322.	34,847.	27,496.	293,238.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
9 ROBIN KORNHABER	(i) 227,815.	0.	3,954.	34,622.	35,291.	301,682.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
10 RAYMOND NIAURA	(i) 277,500.	0.	1,650.	36,750.	21,456.	337,356.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
11 WILLIAM FURMANSKI	(i) 210,904.	0.	3,240.	31,786.	12,098.	258,028.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
12 DONNA VALLONE	(i) 206,666.	0.	1,782.	31,561.	30,131.	270,140.	0.
	(ii) 0.	0.	0.	0.	0.	0.	0.
13							
14							
15							
16							

Schedule J (Form 990) 2010

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART I, LINE 1A: THE ORGANIZATION PAID CHERYL G. HEALTON TAX

INDEMNIFICATION AND GROSS-UP PAYMENTS FOR TAXABLE TUITION EXPENSE OF

\$34,824.

THE ORGANIZATION PAID HEALTH CLUB DUES FOR THE FOLLOWING EMPLOYEES, THE

HEALTH CLUB DUES BENEFIT WAS TREATED AS TAXABLE INCOME TO THE RECIPIENT.

CHERYL G. HEALTON - \$540

ANTHONY T. O'TOOLE - \$540

ELLEN VARGYAS - \$540

ERIC ASCHE - \$540

ROBIN KORNHABER - \$540

WILLIAM FURMANSKI - \$540

JULIA CARTWRIGHT - \$540

PART I, LINE 4B: 457(F) PLAN

PART II, COLUMN C:

RETIREMENT AND OTHER DEFERRED COMPENSATION FOR CHERYL HEALTON INCLUDES 401K

CONTRIBUTIONS OF \$36,750. IN ADDITION, DURING THE FISCAL YEAR ENDED JUNE

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

30. 2008. THE FOUNDATION ESTABLISHED A 457(F) PLAN WHICH VESTS ON JANUARY

1, 2014, WITH FORFEITURE IF EMPLOYMENT ENDS EITHER VOLUNTARILY OR

INVOLUNTARILY, BEFORE EARNED. THE 2010 CALENDAR YEAR DEFERRED COMPENSATION

REPORTED INCLUDES CONTRIBUTIONS TO THE 457(F) OF \$80,000.

PART II, COLUMN C:

RETIREMENT AND OTHER DEFERRED COMPENSATION FOR ANTHONY O'TOOLE INCLUDES

401K CONTRIBUTIONS OF \$36,750, IN ADDITION DURING THE FISCAL YEAR ENDED

JUNE 30, 2008. THE FOUNDATION ESTABLISHED A 457(F) PLAN WHICH VESTS ON

JANUARY 1, 2014, WITH FORFEITURE IF EMPLOYMENT ENDS EITHER VOLUNTARILY OR

INVOLUNTARILY, BEFORE EARNED. THE 2010 CALENDAR YEAR DEFERRED COMPENSATION

REPORTED INCLUDES CONTRIBUTIONS TO THE 457(F) OF \$60,000.

PART II, COLUMN C:

RETIREMENT AND OTHER DEFERRED COMPENSATION FOR ELLEN VARGYAS INCLUDES 401K

CONTRIBUTIONS OF \$36,750, IN ADDITION DURING THE FISCAL YEAR ENDED JUNE

30, 2008. THE FOUNDATION ESTABLISHED A 457(F) PLAN WHICH VESTS ON JANUARY

1, 2014, WITH FORFEITURE IF EMPLOYMENT ENDS EITHER VOLUNTARILY OR

INVOLUNTARILY, BEFORE EARNED. THE 2010 CALENDAR YEAR DEFERRED COMPENSATION

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

REPORTED INCLUDES CONTRIBUTIONS TO THE 457(F) OF \$40,000.

PART II, COLUMN C:

RETIREMENT AND OTHER DEFERRED COMPENSATION FOR M. DAVID DOBBINS INCLUDES

401K CONTRIBUTIONS OF \$36,750, IN ADDITION DURING THE FISCAL YEAR ENDED

JUNE 30, 2008, THE FOUNDATION ESTABLISHED A 457(F) PLAN WHICH VESTS ON

JANUARY 1, 2014, WITH FORFEITURE IF EMPLOYMENT ENDS EITHER VOLUNTARILY OR

INVOLUNTARILY, BEFORE EARNED. THE 2010 CALENDAR YEAR DEFERRED COMPENSATION

REPORTED INCLUDES CONTRIBUTIONS TO THE 457(F) OF \$40,000.

PART II, COLUMN B III, OTHER COMPENSATION, 457(B) PLAN:**PART II, COLUMN B III:**

OTHER REPORTABLE COMPENSATION FOR ANTHONY O'TOOLE CONSISTS PARTLY OF 457(B)

CONTRIBUTIONS OF \$16,500.

PART II, COLUMN B III:

OTHER REPORTABLE COMPENSATION FOR ELLEN VARGYAS CONSISTS PARTLY OF 457(B)

CONTRIBUTIONS OF \$16,500.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART II, COLUMN B III:

OTHER REPORTABLE COMPENSATION FOR DAVID ABRAMS CONSISTS PARTLY OF 457(B)

CONTRIBUTIONS OF \$16,500.

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part V.
▶ Attach to Form 990. ▶ See separate instructions.

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AMERICAN LEGACY FOUNDATION

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91-1956621

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A DISTRICT OF COLUMBIA	53-6001131	2548392L6	03/01/08	28,000,000	PURCHASE OF NEW BUILDING					X	
B											
C											
D											

Part II Proceeds

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue								
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds								
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds								
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion								

14 Were the bonds issued as part of a current refunding issue?											
15 Were the bonds issued as part of an advance refunding issue?											
16 Has the final allocation of proceeds been made?											
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?											

Part III Private Business Use

1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?											
2 Are there any lease arrangements that may result in private business use of bond-financed property?											

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b Are there any research agreements that may result in private business use of bond-financed property?		X						
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X							
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▲		.00		%		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▲		.03		%		%		%
6 Total of lines 4 and 5		.03		%		%		%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X							

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X						
2 Is the bond issue a variable rate issue?	X							
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X							
b Name of provider	BANK OF AMERICA							
c Term of hedge	30,000,000							
d Was the hedge superintergrated?		X						
e Was the hedge terminated?		X						
4a Were gross proceeds invested in a GIC?		X						
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5 Were any gross proceeds invested beyond an available temporary period?		X						
6 Did the bond issue qualify for an exception to rebate?		X						

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

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FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

FOUNDATION SUPPORTS (1) THE STUDY OF AND PROGRAMS TO REDUCE YOUTH

TOBACCO PRODUCT USAGE AND YOUTH SUBSTANCE ABUSE IN THE STATES AND (2)

THE STUDY OF AND EDUCATIONAL PROGRAMS TO PREVENT DISEASES ASSOCIATED

WITH THE USE OF TOBACCO PRODUCTS IN THE STATES.

FORM 990, PAGE 1, PART B, AMENDED RETURN

REASON FOR AMENDED RETURN

THE AMERICAN LEGACY FOUNDATION IS FILING THIS AMENDED RETURN TO PROVIDE

ADDITIONAL INFORMATION ABOUT THE AMOUNT AND NATURE OF THE DIVERSION OF

ASSETS AS SET OUT IN THE UPDATED EXPLANATION PROVIDED FOR PART VI.

SECTION A, LINE 5 AS SHOWN LATER IN SCHEDULE O. NO OTHER CHANGES HAVE

BEEN MADE TO THE ORIGINAL RETURN.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

THE HEALTH EFFECTS OF TOBACCO USE, ESPECIALLY AMONG VULNERABLE

POPULATIONS DISPROPORTIONATELY AFFECTED BY THE TOLL OF TOBACCO, THROUGH

GRANTS, TECHNICAL ASSISTANCE AND TRAINING, PARTNERSHIPS, YOUTH ACTIVISM

AND COUNTER-MARKETING AND GRASSROOTS MARKETING CAMPAIGNS. LEGACY WAS

CREATED AS A RESULT OF THE NOVEMBER 1998 MASTER SETTLEMENT AGREEMENT

(MSA) REACHED BETWEEN ATTORNEYS GENERAL FROM 46 STATES, 5 US

TERRITORIES AND THE TOBACCO INDUSTRY. VISIT

[HTTP://WWW.LEGACYFORHEALTH.ORG](http://www.legacyforhealth.org) FOR MORE INFORMATION.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

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

Schedule O (Form 990 or 990-EZ) (2010)

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AND OTHER EMERGING MEDIA VEHICLES, AND PLANS, PLACES AND MANAGES ALL
RELATED PAID AND DONATED MEDIA EFFORTS, IN ADDITION, MARKETING PRODUCES
GRASSROOTS AND SPECIAL EVENT INITIATIVES, AS WELL AS COLLATERAL AND
OTHER PROMOTIONAL ITEMS AS COMPLEMENTARY AND INTEGRATED TACTICS.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

COMMUNICATIONS

LEGACY SEEKS TO INCREASE AWARENESS ABOUT THE ISSUE OF TOBACCO USE IN
AMERICA, BY EDUCATING GENERAL PUBLIC ABOUT THE ADDICTIVENESS OF
NICOTINE, THE TOLL OF DEATH AND DISEASE FROM TOBACCO USE, AND THE
SOCIAL AND ECONOMIC CONSEQUENCES TOBACCO USE TAKES IN OUR SOCIETY. THE
OFFICE OF COMMUNICATIONS IS CHARGED WITH THE MANAGEMENT AND EXECUTION
OF ALL INTERNAL AND EXTERNAL COMMUNICATIONS FOR THE FOUNDATION,
INCLUDING MEDIA RELATIONS, PUBLIC RELATIONS, AND STAKEHOLDER
COMMUNICATIONS AS WELL AS GENERAL COMMUNICATIONS-RELATED SUPPORT FOR
FOUNDATION PROGRAMS, THE CEO AND PRESIDENT, THE BOARD OF DIRECTORS,
AND EXECUTIVE STAFF. LEGACY COMMUNICATIONS UNDERTAKES A NUMBER OF
ACTIVITIES TO ENSURE THAT THE ISSUE OF TOBACCO USE REMAINS ON THE
NATIONAL AGENDA. ACTIVITIES INCLUDE MAINTAINING A RELATIONSHIP WITH
THE MEMBERS OF THE MEDIA; DEVELOPING AND ISSUING PRESS RELEASES,
STATEMENTS AND OTHER OUTREACH MATERIALS; PUBLICIZING FOUNDATION
PROGRAMS AND EFFORTS; MANAGING AGENCIES AND OTHER EXTERNAL VENDORS;
COLLABORATING WITH PARTNERS IN TOBACCO CONTROL AND PUBLIC HEALTH;
SOCIAL MEDIA OUTREACH AND MANAGEMENT OF THE PRESIDENT'S BLOG;
DEVELOPING AND DISSEMINATING MATERIALS THAT SUPPORT PROGRAMS AND
PROVIDE INFORMATION TO INTERESTED PARTIES (FACT SHEETS, PROGRESS
REPORTS); ADVISING ON CRISIS COMMUNICATIONS SITUATIONS; AND BUILDING
RELATIONSHIPS WITH ORGANIZATIONS AND INDIVIDUALS THROUGH THOUGHT

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AMERICAN LEGACY FOUNDATION	91-1956621

LEADERSHIP PANEL DISCUSSIONS, OUTREACH, SPEAKING OPPORTUNITIES,

SPEECHWRITING, NEWS BRIEFINGS AND CONFERENCES.

EXPENSES \$ 1,749,027, INCLUDING GRANTS OF \$ 135,735, REVENUE \$ 0.

GOVERNMENT AFFAIRS

THE GOVERNMENT AFFAIRS DEPARTMENT EDUCATES POLICYMAKERS AT THE FEDERAL,

STATE AND LOCAL LEVEL ABOUT LEGACY'S LIFE SAVING PROGRAMS AS WELL AS A

WIDE RANGE OF INFORMATION ABOUT THE IMPACT OF THE TOBACCO EPIDEMIC. WE

ACHIEVE THIS GOAL THROUGH PARTICIPATION IN A VARIETY OF MEETINGS,

BRIEFINGS, PUBLICATIONS, ETC. OUR EDUCATIONAL EFFORTS ARE SUPPORTED BY

DISSEMINATION OF THE FOUNDATION'S RESEARCH STUDIES AND REPORTS, AS WELL

AS STRATEGIC PARTICIPATION IN AND SPONSORSHIP OF CONFERENCES AND EVENTS

THAT ALLOW US TO BUILD AWARENESS OF OUR FOUNDATION AND ITS IMPORTANT

WORK AS WELL AS KEY INFORMATION ABOUT THE TOBACCO EPIDEMIC BEFORE KEY

AUDIENCES. THE FOUNDATION DOES NOT ENGAGE IN LOBBYING ACTIVITIES, IN

COMPLIANCE WITH THE MASTER SETTLEMENT AGREEMENT'S PROHIBITION,

EXPENSES \$ 772,763, INCLUDING GRANTS OF \$ 34,045, REVENUE \$ 0.

PROGRAM DEVELOPMENT & DISSEMINATION

PROGRAM DEVELOPMENT INCLUDES DEVELOPMENT AND EXECUTION OF PROGRAMMATIC

COMPONENTS TO SUPPORT CESSATION AND PREVENTION ACTIVITIES. IN ADDITION,

THIS UNIT IS RESPONSIBLE FOR STRATEGIC DEVELOPMENT AND COORDINATION OF

COMPREHENSIVE PROGRAM PLANS THAT INCLUDE YOUTH LEADERSHIP DEVELOPMENT,

TECHNICAL ASSISTANCE AND TRAINING (TAT) TO BUILD CAPACITY WITH LOCAL

PARTNERSHIP ORGANIZATIONS, PLUS RELATIONS WITH THE EXTERNAL TOBACCO

CONTROL AND PREVENTION COMMUNITY. IN ADDITION, WE DISSEMINATE THE

OUTCOMES OF OUR GRANT AND TAT PROJECTS WITH PUBLICATIONS AND RESOURCES

TARGETED TO THE PUBLIC HEALTH COMMUNITY.

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EXPENSES \$ 2,216,097. INCLUDING GRANTS OF \$ 10,175. REVENUE \$ 0.

RESEARCH & EVALUATION

THE RESEARCH AND EVALUATION DEPARTMENT EVALUATES THE EFFECTIVENESS OF

ALL LEGACY INITIATIVES. THESE EFFORTS HELP ENSURE THAT PROGRAMS ARE

IMPLEMENTED WITH THE HIGHEST LEVEL OF EFFICIENCY AND EFFICACY POSSIBLE

TO REDUCE TOBACCO-RELATED DISEASE AND DEATH. USING RIGOROUS RESEARCH

METHODS, THE TEAM DEVELOPS LOGIC MODELS, SAMPLING PLANS, ANALYTIC

OUTLINES, AND CONDUCTS DATA ANALYSES FOR EACH PROGRAMMATIC COMPONENT.

FINDINGS ARE THEN USED TO DEVELOP PEER-REVIEWED PUBLICATIONS, AS WELL

AS BRIEF REPORTS WRITTEN FOR BOTH SPECIFIC AUDIENCES AND THE GENERAL

PUBLIC, IN AN EFFORT TO ADVANCE THE SCIENCE RELATED TO TOBACCO CONTROL.

TO ENSURE THE HIGHEST LEVEL OF CREDIBILITY, RESEARCH STAFF ALSO

SUBSTANTIATE ANY AND ALL FACTUAL INFORMATION FOR ALL LEGACY-RELATED

PRODUCTS.

EXPENSES \$ 2,720,366. INCLUDING GRANTS OF \$ 434,373. REVENUE \$ 0.

PRIORITY POPULATIONS

LEGACY HAS A STEADFAST COMMITMENT TO HELP ADDRESS THE TOBACCO-RELATED

HEALTH DISPARITIES AMONG UNDERSERVED AND DISADVANTAGED POPULATIONS WHO

DISPROPORTIONATELY BEAR THE TOLL OF TOBACCO. LEGACY PROVIDES SUPPORT

FOR CULTURALLY TAILORED APPROACHES TO PREVENT AND CONTROL TOBACCO USE

AMONG THE FOLLOWING PRIORITY POPULATIONS; (AFRICAN AMERICANS,

ASIAN/PACIFIC ISLANDERS, HISPANICS, NATIVE AMERICANS,

GAY/LESBIAN/TRANSGENDER, LOW SOCIAL ECONOMIC STATUS POPULATIONS, AND

PERSONS WITH COMBINED HEALTH PROBLEMS, ESPECIALLY MENTAL ILLNESS,

ALCOHOLISM OR SUBSTANCE ABUSE. IN ADDITION TO PROGRAMMATIC

INITIATIVES, PRIORITY POPULATIONS IS RESPONSIBLE FOR FOSTERING

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PARTNERSHIPS AND OUTREACH TO NON-PROFITS AND LEADERSHIP ORGANIZATIONS

SERVING THESE VARIOUS COMMUNITIES.

EXPENSES \$ 344,085, INCLUDING GRANTS OF \$ 20,164, REVENUE \$ 0.

YOUTH ACTIVISM

IN ADDITION TO OUR GROUND BREAKING AND PROVEN EFFECTIVE TRUTH COUNTER

MARKETING CAMPAIGN, LEGACY PROVIDES PROGRAMMING FOR STATES AND

LOCALITIES TO INCREASE YOUTH ACTIVISM AT THE COMMUNITY AND NATIONAL

LEVELS, THE FOUNDATION'S YOUTH ACTIVISM PROGRAMS SERVE TO PROMOTE AND

INVEST IN THE LEADERSHIP OF YOUTH ACTIVISTS COMMITTED TO TOBACCO

CONTROL AND PREVENTION, AS WELL AS TO GATHER INSIGHT AND PERSPECTIVE ON

YOUTH CULTURE.

EXPENSES \$ 378,589, INCLUDING GRANTS OF \$ 12,500, REVENUE \$ 0.

COLLABORATION & OUTREACH

THE COLLABORATION AND OUTREACH DEPARTMENT WORKS CROSS-DEPARTMENTALLY TO

SUPPORT IMPLEMENTATION OF THE ORGANIZATION'S INITIATIVES AND ASSIST

WITH PROMOTION OF PROGRAMS AND RESOURCES TO EXTERNAL AUDIENCES, THE

DEPARTMENT ALSO MANAGES A PORTFOLIO OF APPROXIMATELY ONE DOZEN GRANTS

AND CONTRACTS TO STRATEGIC PARTNERS AND MAINTAINS AN ORGANIZATION-WIDE

STAKEHOLDER CONTACT DATABASE, WORK IN THE DEPARTMENT IS GUIDED BY A

PROACTIVE ANNUAL STAKEHOLDER OUTREACH PLAN THAT IS DESIGNED TO INCREASE

THE FREQUENCY AND FLOW OF INFORMATION TO KEY LEGACY AUDIENCES AND

PROVIDE FORUMS FOR FEEDBACK ON THE ORGANIZATION'S ACTIVITIES.

DEPARTMENT ACTIVITIES INCLUDE EXTERNAL PARTNER RELATIONSHIP MANAGEMENT

AT THE LOCAL, STATE AND NATIONAL LEVELS; IDENTIFICATION OF AND OUTREACH

TO NEW ORGANIZATIONS; PRODUCTION OF INTERNAL OUTREACH TOOLS SUCH AS

TALKING POINTS AND A CALENDAR OF ACTIVITIES; SUPPORT FOR AND EXECUTION

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OF MEETINGS, CONFERENCES AND EVENTS; AND COORDINATION OF PROJECTS

INCLUDING SPONSORSHIPS, AWARDS, E-MARKETING AND AN ANNUAL STAKEHOLDER

SURVEY.

EXPENSES \$ 2,017,348, INCLUDING GRANTS OF \$ 38,800, REVENUE \$ 0.

OTHER

EXPENSES \$ 166,305, INCLUDING GRANTS OF \$ 125,000, REVENUE \$ 0.

FORM 990, PART V, LINE 4B, LIST OF FOREIGN COUNTRIES:

BRAZIL, CHILE, EGYPT, INDONESIA,

ISRAEL, SOUTH KOREA, MALAYSIA, PHILIPPINES,

CHINA, THAILAND, TURKEY, UNITED ARAB EMIRATES

FORM 990, PART VI, SECTION A, LINE 5: BASED ON INFORMATION RECEIVED FROM

AN EMPLOYEE IN AUGUST 2010, THE AMERICAN LEGACY FOUNDATION (LEGACY)

IMMEDIATELY BEGAN AN INVESTIGATION INTO ALLEGATIONS OF A POTENTIALLY

SIGNIFICANT DIVERSION OF THE ORGANIZATION'S ASSETS DUE TO THEFT AND FRAUD

PERPETRATED BY A SINGLE, FORMER EMPLOYEE. LEGACY RETAINED AN INDEPENDENT

FORENSIC ACCOUNTING FIRM TO CONDUCT A THOROUGH AND CAREFUL INVESTIGATION.

THE AMOUNT OF THE FRAUD WAS ULTIMATELY DETERMINED TO BE \$3,391,648. THE

FRAUD WAS PERPETRATED BY THE FORMER HEAD OF LEGACY'S IT DEPARTMENT OVER A

PERIOD OF APPROXIMATELY SEVEN YEARS THROUGH A COMBINATION OF SHAM INVOICES

FOR COMPUTER EQUIPMENT AND TECHNOLOGY THAT WERE NEVER RECEIVED BY LEGACY.

AS WELL AS OTHER INVOICES THAT FRAUDULENTLY OVER-CHARGED LEGACY. THIS

MATTER HAD BEEN RAISED BY AN EMPLOYEE SEVERAL YEARS EARLIER, BUT NO ACTION

WAS TAKEN AT THAT TIME.

UPON DETERMINING THAT A FRAUD HAD OCCURRED, LEGACY PROMPTLY REFERRED THE

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MATTER TO THE OFFICE OF THE UNITED STATES ATTORNEY FOR THE DISTRICT OF COLUMBIA FOR INVESTIGATION AND POSSIBLE CRIMINAL PROSECUTION. LEGACY FULLY COOPERATED WITH THE U.S. ATTORNEY'S OFFICE. IN ADDITION, LEGACY FILED AN INSURANCE CLAIM FROM WHICH IT RECOVERED \$ 1,304,695, THE FULL AMOUNT OF THE POLICY.

LEGACY HAS A RECORD OF "CLEAN" INDEPENDENT AUDITS FOR ALL YEARS PRIOR TO, INCLUDING, AND SINCE THE DISCOVERY OF THE FRAUD. SINCE THE DISCOVERY OF THE DIVERSION OF ASSETS, LEGACY HAS TAKEN A NUMBER OF ADDITIONAL STEPS TO FURTHER STRENGTHEN OUR CONTROLS AND EDUCATE OUR STAFF ON FINANCIAL PROPRIETY. THESE INCLUDE:

- BRINGING IN OUTSIDE CONSULTANTS TO EVALUATE THE CONTROLS OF LEGACY'S IT PROGRAM SPECIFICALLY, AND OUR FINANCIAL CONTROLS GENERALLY;
- ADOPTING NEW IT PROCUREMENT AND INVENTORY MANAGEMENT POLICIES BASED ON THE OUTSIDE RECOMMENDATIONS;
- UPDATING OUR WHISTLEBLOWER POLICY;
- REQUIRING THAT OUR STAFF TAKE A MANDATORY, COMPUTER-BASED TRAINING ON MATTERS OF FINANCIAL MALFEASANCE;
- POSTING A VIDEO ON OUR INTRANET EMPHASIZING THE IMPORTANCE OF RESPONSIBLE STEWARDSHIP OF ITS FUNDS; AND
- CHANGING THE IT DEPARTMENT'S REPORTING LINE FROM THE CFO TO THE COO.

FORM 990, PART VI, SECTION A, LINE 7A: THE NATIONAL GOVERNORS ASSOCIATION, NATIONAL ASSOCIATION OF ATTORNEYS GENERAL, AND NATIONAL COUNCIL OF STATE LEGISLATURES EACH HAVE THE AUTHORITY TO APPOINT TWO CLASS A DIRECTORS.

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LEGACY'S EXECUTIVE VICE PRESIDENT / CHIEF FINANCIAL AND INVESTMENT OFFICER

HOLDS A CONFERENCE CALL/MEETING WITH THE AUDIT COMMITTEE TO REVIEW AND

APPROVE THE FORM 990. THE AUDIT COMMITTEE CONSISTS OF 3 BOARD MEMBERS.

LEGACY'S INDEPENDENT EXTERNAL AUDITORS AND TAX PREPARERS ALSO ATTEND. ONCE

THE AUDIT COMMITTEE APPROVES THE FORM 990, IT IS THEN PROVIDED TO THE FULL

BOARD VIA LEGACY'S SECURE BOARD WEBSITE BEFORE BEING FILED WITH THE IRS.

LEGACY THEN FILES THE FORM 990 BY THE DUE DATE.

FORM 990, PART VI, SECTION B, LINE 12C: LEGACY REGULARLY AND CONSISTENTLY

MONITORS AND ENFORCES COMPLIANCE WITH ITS CONFLICT OF INTEREST POLICY BY:

REQUIRING ANNUAL REVIEW OF POLICY AND WRITTEN DISCLOSURES BY ALL DIRECTORS,

SENIOR STAFF AND RESEARCH INVESTIGATORS WHICH ARE COLLECTED AND REVIEWED BY

THE GENERAL COUNSEL; REQUIRING UPDATED FILINGS AS NECESSARY BY DIRECTORS

AND COVERED STAFF; REQUIRING CONTEMPORANEOUS DISCLOSURES OF ALL CONFLICTS

AND POTENTIAL CONFLICTS NOT DISCLOSED IN THE ANNUAL FILINGS, BY ALL

DIRECTORS AND STAFF; REQUIRING ALL RESEARCH INVESTIGATORS WHO PARTICIPATE

IN NIH-FUNDED RESEARCH TO COMPLY WITH NIH'S FINANCIAL CONFLICT OF INTEREST

(FCOI) REGULATION AND TO ANNUALLY COMPLETE THE NIH TUTORIAL ON CONFLICTS OF

INTEREST; AND PLACING ADMINISTRATIVE RESPONSIBILITY FOR TRAINING AND

COMPLIANCE WITH THE GENERAL COUNSEL.

FORM 990, PART VI, SECTION B, LINE 15: THE PROCESS FOR DETERMINING THE

COMPENSATION OF THE CEO AND TOP MANAGEMENT INCLUDES REVIEW AND APPROVAL BY

INDEPENDENT PERSONS, COMPARATIVE DATA AND CONTEMPORANEOUS SUBSTANTIATION.

THE BOARD REGULARLY RETAINS AN INDEPENDENT CONSULTING FIRM TO EVALUATE THE

COMPENSATION OF THE CEO AND TOP MANAGEMENT AGAINST THE COMPETITIVE MARKET,

INCLUDING COMPARABLE POSITIONS AMONG SIMILARLY SITUATED ORGANIZATIONS AS

WELL AS BROADER, RELEVANT MARKET SURVEYS. BASED ON THAT ANALYSIS AND

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PERFORMANCE ASSESSMENTS, THE FULL BOARD SETS THE CEO'S COMPENSATION AND

APPROVES OR AMENDS THE CEO'S RECOMMENDATION FOR THE CFO/CIO'S COMPENSATION,

THE BOARD'S COMPENSATION COMMITTEE REVIEWS AND AMENDS THE COMPENSATION OF

THE COO, GC, AND EVP FOR PROGRAM DEVELOPMENT, THE CEO MAKES COMPENSATION

DECISIONS FOR OTHER KEY EMPLOYEES, UPON RECOMMENDATION OF THE COO,

FORM 990, PART VI, LINE 17, LIST OF STATES RECEIVING COPY OF FORM 990:

AK, AL, AR, AZ, CA, CT, FL, GA, HI, IL, KS, KY, MA, MD, ME, MI, MS, MN, NC, ND, NJ, NH, NM, NY, OH

OK, OR, PA, RI, SC, TN, UT, VA, WA, WI, WV

FORM 990, PART VI, SECTION C, LINE 19: LEGACY'S FINANCIAL STATEMENTS ARE

AVAILABLE ON ITS CORPORATE WEBSITE, WWW.LEGACYFORHEALTH.ORG, ITS GOVERNING

DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE AVAILABLE TO THE PUBLIC UPON

REQUEST,

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED GAINS ON INVESTMENTS: 114,292,396.

UNREALIZED GAIN ON SWAPS 592,117.

TOTAL TO FORM 990, PART XI, LINE 5 114,884,513.

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

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Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
M STREET HOLDINGS, LLC - 91-1956621 2030 M STREET, NW WASHINGTON, DC 20036	PROPERTY RENTAL/MGMT.	DELAWARE	4,525,624.	21,153,847.	AMERICAN LEGACY FOUNDATION

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2010

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	
b Gift, grant, or capital contribution to other organization(s)	1b	
c Gift, grant, or capital contribution from other organization(s)	1c	
d Loans or loan guarantees to or for other organization(s)	1d	
e Loans or loan guarantees by other organization(s)	1e	
f Sale of assets to other organization(s)	1f	
g Purchase of assets from other organization(s)	1g	
h Exchange of assets	1h	
i Lease of facilities, equipment, or other assets to other organization(s)	1i	
j Lease of facilities, equipment, or other assets from other organization(s)	1j	
k Performance of services or membership or fundraising solicitations for other organization(s)	1k	
l Performance of services or membership or fundraising solicitations by other organization(s)	1l	
m Sharing of facilities, equipment, mailing lists, or other assets	1m	
n Sharing of paid employees	1n	
o Reimbursement paid to other organization for expenses	1o	
p Reimbursement paid by other organization for expenses	1p	
q Other transfer of cash or property to other organization(s)	1q	
r Other transfer of cash or property from other organization(s)	1r	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds			
(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)