



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

OMB No 1545-0052

2010

Department of the Treasury
Internal Revenue Service

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

For calendar year 2010, or tax year beginning 8/01, 2010, and ending 7/31, 2011

G Check all that apply: ☐ Initial return ☐ Initial Return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name changeClay Foundation - West
1188 Dance Drive
Sonoma, CA 95476

A Employer identification number

33-6339800

B Telephone number (see the instructions)

(707) 939-1188

C If exemption application is pending, check here ☐D 1 Foreign organizations, check here ☐2 Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐H Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationI Fair market value of all assets at end of year (from Part II, column (c), line 16) ☐ Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _____

Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 2,491,494.

(Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

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

1 Contributions, gifts, grants, etc., received (att sch)

18.

2 Check ☒ if the foundn is not req to att Sch B

3 Interest on savings and temporary cash investments

15.

15.

N/A

4 Dividends and interest from securities

21,477.

21,477.

5a Gross rents

b Net rental income or (loss)

6a Net gain/(loss) from sale of assets not on line 10

4,037.

b Gross sales price for all assets on line 6a 426,515.

7 Capital gain net income (from Part IV, line 2)

4,037.

8 Net short-term capital gain

9 Income modifications

10a Gross sales less returns and allowances

b Less Cost of goods sold

Gross profit/(loss) (att sch)

11 Other income (attach schedule)

12 Total. Add lines 1 through 11

25,547.

25,529.

13 Compensation of officers, directors, trustees, etc

0.

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees (attach schedule)

b Accounting fees (attach sch) See St 1

550.

96.

454.

c Other prof fees (attach sch)

17 Interest

18 Taxes (attach schedule)(see instr) See Stm 2

-376.

-570.

19 Depreciation (attach sch) and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses (attach schedule)

See Statement 3

31.

8.

23.

24 Total operating and administrative expenses. Add lines 13 through 23

205.

-466.

477.

25 Contributions, gifts, grants paid Part XV

108,100.

108,100.

26 Total expenses and disbursements. Add lines 24 and 25

108,305.

-466.

108,577.

27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

-82,758.

b Net investment income (if negative, enter -0-)

25,995.

c Adjusted net income (if negative, enter -0-)

REVENUE

ADMINISTRATIVE EXPENSES

SCANNED SEP 06 2011

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
ASSETS	1 Cash — non-interest-bearing						
	2 Savings and temporary cash investments	8,293.	10,373.	10,373.			
	3 Accounts receivable Less: allowance for doubtful accounts						
	4 Pledges receivable Less: allowance for doubtful accounts						
	5 Grants receivable						
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)						
	7 Other notes and loans receivable (attach sch) Less: allowance for doubtful accounts						
	8 Inventories for sale or use						
	9 Prepaid expenses and deferred charges						
	10a Investments — U.S. and state government obligations (attach schedule)						
	b Investments — corporate stock (attach schedule)	2,240,890.	2,156,052.	2,481,121.			
	c Investments — corporate bonds (attach schedule)						
	11 Investments — land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule)						
	12 Investments — mortgage loans						
	13 Investments — other (attach schedule)						
	14 Land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule)						
15 Other assets (describe _____)							
16 Total assets (to be completed by all filers — see instructions. Also, see page 1, item I)	2,249,183.	2,166,425.	2,491,494.				
LIABILITIES	17 Accounts payable and accrued expenses						
	18 Grants payable						
	19 Deferred revenue						
	20 Loans from officers, directors, trustees, & other disqualified persons						
	21 Mortgages and other notes payable (attach schedule)						
	22 Other liabilities (describe _____)						
	23 Total liabilities (add lines 17 through 22)	0.	0.				
FUND ASSETS	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>						
	24 Unrestricted	2,249,183.	2,166,425.				
	25 Temporarily restricted						
	26 Permanently restricted						
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>						
	27 Capital stock, trust principal, or current funds						
	28 Paid-in or capital surplus, or land, building, and equipment fund						
	29 Retained earnings, accumulated income, endowment, or other funds						
30 Total net assets or fund balances (see the instructions)	2,249,183.	2,166,425.					
31 Total liabilities and net assets/fund balances (see the instructions)	2,249,183.	2,166,425.					

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year — Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1 2,249,183.
2 Enter amount from Part I, line 27a	2 -82,758.
3 Other increases not included in line 2 (itemize) _____	3
4 Add lines 1, 2, and 3	4 2,166,425.
5 Decreases not included in line 2 (itemize) _____	5
6 Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6 2,166,425.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)

(b) How acquired
P — Purchase
D — Donation(c) Date acquired
(month, day, year)(d) Date sold
(month, day, year)

1a See Statement 4

b

c

d

e

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

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

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)

If gain, also enter in Part I, line 7
If (loss), enter -0- in Part I, line 7

2

4,037.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):

If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0-
in Part I, line 8

3

10,272.

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

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

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

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

☐ Yes☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2009	94,108.	2,196,504.	0.042844
2008	41,172.	1,872,202.	0.021991
2007	68,464.	1,826,498.	0.037484
2006	15,725.	372,652.	0.042198
2005	7,856.	315,815.	0.024875

2 Total of line 1, column (d)

2

0.169392

3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years

3

0.033878

4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5

4

2,410,574.

5 Multiply line 4 by line 3

5

81,665.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6

260.

7 Add lines 5 and 6

7

81,925.

8 Enter qualifying distributions from Part XII, line 4

8

108,577.

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

BAA

Form 990-PF (2010)

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary — see instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	260.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	260.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	260.
6 Credits/Payments:			
a 2010 estimated tax pmts and 2009 overpayment credited to 2010	6a		
b Exempt foreign organizations — tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7		0.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		260.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be Credited to 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		X
If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If 'Yes,' attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If 'Yes,' attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) CA		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If 'No,' attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If 'Yes,' complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses		X

BAA

Form 990-PF (2010)

Part VII-A Statements Regarding Activities (Continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>None</u>	13	X	
14	The books are in care of <u>Buffington Clay Miller</u> Telephone no. <u>(707) 939-1188</u> Located at <u>1188 Dance Drive, Sonoma, CA</u> ZIP + 4 <u>95476</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	N/A		N/A
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If 'Yes,' enter the name of the foreign country	16	Yes	No
				X

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

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here	1b	N/A
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If 'Yes,' list the years <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see the instructions.)	2b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If 'Yes,' did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.)	3b	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

BAA

Form 990-PF (2010)

Part VII B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b

N/A

Organizations relying on a current notice regarding disaster assistance check here

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

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

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

6b

X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Buffington Clay Miller 1188 Dance Drive Sonoma, CA 95476	President 1.00	0.	0.	0.
George A. Miller 1188 Dance Drive Sonoma, CA 95476	Secretary 1.00	0.	0.	0.
Buckner W. Clay 1188 Dance Drive Sonoma, CA 95476	CFO 1.00	0.	0.	0.

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

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

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

0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

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

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

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

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

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

BAA

Form 990-PF (2010)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	2,370,465.
b	Average of monthly cash balances	1b	76,818.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	2,447,283.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	2,447,283.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	36,709.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,410,574.
6	Minimum investment return. Enter 5% of line 5	6	120,529.

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

1	Minimum investment return from Part X, line 6	1	120,529.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	260.
b	Income tax for 2010 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	260.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	120,269.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	120,269.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	120,269.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	1a	108,577.
b	Program-related investments — total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	108,577.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	260.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	108,317.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

BAA

Form 990-PF (2010)

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				120,269.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			108,555.	
b Total for prior years 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2010.				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 108,577.				
a Applied to 2009, but not more than line 2a			108,555.	
b Applied to undistributed income of prior years (Election required — see instructions)		0.		
c Treated as distributions out of corpus (Election required — see instructions)	0.			
d Applied to 2010 distributable amount				22.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount — see instructions			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				120,247.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

N/A -

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

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

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<i>a Paid during the year</i> See Statement 5				
Total			3a	108,100.
<i>b Approved for future payment</i>				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see the instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	15.	
4 Dividends and interest from securities			14	21,477.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	4,037.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)				25,529.	
13 Total. Add line 12, columns (b), (d), and (e)				13	25,529.

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

Clay Foundation - West

33-6339800

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

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Tax Preparation	\$ 550.	\$ 96.		\$ 454.
Total	<u>\$ 550.</u>	<u>\$ 96.</u>		<u>\$ 454.</u>

Statement 2
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Federal Excise Tax	\$ 194.			
Foreign Taxes on Dividends (Reclaims)	-570.	\$ -570.		
Total	<u>\$ -376.</u>	<u>\$ -570.</u>		<u>\$ 0.</u>

Statement 3
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
ADR Pass Through Fees	\$ 3.	\$ 3.		
Filing Fees	10.	2.		\$ 8.
Postage	18.	3.		15.
Total	<u>\$ 31.</u>	<u>\$ 8.</u>		<u>\$ 23.</u>

Statement 4
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
1	120 shs Alcon	Purchased	11/12/2009	8/20/2010
2	75 shs AFLAC	Purchased	5/24/2004	9/20/2010
3	130 shs Bed Bath & Beyond	Purchased	1/10/2005	4/28/2011
4	280 shs Starbucks Corp	Purchased	12/14/2006	4/25/2011
5	250 shs Starbucks Corp	Donated	2/14/2007	4/25/2011
6	550 shs Walgreen's	Purchased	12/30/2003	9/23/2010
7	150 shs Walgreen's	Donated	2/14/2007	9/23/2010
8	600 shs Alcon	Purchased	11/12/2009	8/18/2010
9	1100 shs Microsoft	Donated	2/14/2007	9/23/2010
10	1600 shs Microsoft	Donated	2/14/2007	10/29/2010
11	600 shs Patterson	Donated	2/14/2007	3/28/2011

Clay Foundation - West

33-6339800

Statement 4 (continued)
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
12	2100 shs Patterson	Donated	2/14/2007	4/25/2011
13	200 shs Varian	Purchased	11/12/2009	5/06/2011
14	1600 shs WalMart	Purchased	7/28/2009	9/23/2010

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i)-(j)	(l) Gain (Loss)
1	19,208.		17,520.	1,688.				\$ 1,688.
2	3,998.		3,072.	926.				926.
3	7,412.		5,210.	2,202.				2,202.
4	10,361.		10,294.	67.				67.
5	9,251.		6,851.	2,400.				2,400.
6	16,240.		19,970.	-3,730.				-3,730.
7	4,429.		6,818.	-2,389.				-2,389.
8	96,141.		87,557.	8,584.				8,584.
9	26,866.		31,510.	-4,644.				-4,644.
10	43,112.		45,832.	-2,720.				-2,720.
11	18,879.		22,386.	-3,507.				-3,507.
12	70,676.		78,351.	-7,675.				-7,675.
13	14,191.		9,002.	5,189.				5,189.
14	85,751.		78,105.	7,646.				7,646.
Total								\$ 4,037.

Statement 5
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
Sonoma Community Center 276 East Napa Street Sonoma, CA 95476			Unrestricted operating funds.	\$ 2,500.
Sonoma Valley Education Found P.O. Box 493 Sonoma, CA 95476			Unrestricted operating funds.	5,000.
Brooks School 1160 Great Pond Road North Andover, MA 01845			Unrestricted operating funds.	20,000.
Boys & Girls Clubs of Sonoma Valley P.O. Box 218 El Verano, CA 95433			Unrestricted operating funds.	3,000.

Clay Foundation - West

33-6339800

Statement 5 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Sonoma Valley Teen Services 17440 Sonoma Highway Sonoma, CA 95476			Unrestricted operating funds.	\$ 3,000.
Sonoma Valley Mentoring Alliance P.O. Box 721 Sonoma, CA 95476			Unrestricted operating funds.	10,000.
Friends in Sonoma Helping P.O. Box 507 Sonoma, CA 95476			Unrestricted operating funds.	1,000.
La Luz Bilingual Center P.O. Box 1016 Boys Hot Springs, CA 95416			Unrestricted operating funds.	10,000.
Marin Theatre Company 397 Miller Avenue Mill Valley, CA 94941			Unrestricted operating funds.	6,600.
Cinnabar Theater 3333 Petaluma Blvd. No. Petaluma, CA 94952			Unrestricted operating funds.	6,000.
Sixth Street Playhouse 52 West 6th Street Santa Rosa, CA 95401			Unrestricted operating funds.	6,000.
Sonoma Theater Alliance 755 Broadway, Suite A Sonoma, CA 95476			Unrestricted operating funds.	10,000.
TheatreWorks P.O. Box 50458 Palo Alto, CA 94303			Unrestricted operating funds.	5,000.
Rensselaer Polytechnic Institute 110 8th Street Troy, NY 12180			Unrestricted operating funds.	6,000.
Sunnyvale Community Services 725 Kifer Road Sunnyvale, CA 94086			Unrestricted operating funds.	3,000.
El Camino YMCA 2400 Grant Road Mountain View, CA 94040			Unrestricted operating funds.	5,000.

Clay Foundation - West

33-6339800

Statement 5 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Florida State Univ. Flying High Circus P.O. Box 3064026 Tallahassee, FL 32306			Unrestricted operating funds.	\$ 1,000.
San Francisco LGBT Community Center 1800 Market Street San Francisco, CA 94102			Unrestricted operating funds.	5,000.
Total				\$ <u>108,100.</u>

Clay Foundation - West Fund A
Current Portfolio By Purchase Lot
7/31/11

33-6339800

No. of Shares	Company	Date Bought	Cost/ Share	Current Value	Cost	Paper Gain/Loss	Ann'l. Perc. Gain
425 AFL	Aflac	5/24/04	\$40 96	\$19,575 50	\$17,406.26	\$2,169 24	2%
175 AFL	Aflac	2/14/07	\$53 50	\$8,060.50	\$9,362 50	(\$1,302.00)	-3%
40 AAPL	Apple	4/28/11	\$347 34	\$15,619 20	\$13,893 75	\$1,725.45	58%
270 BBBY	Bed Bath & B	1/10/05	\$40 08	\$15,792 30	\$10,821 30	\$4,971.00	6%
400 BBBY	Bed Bath & B	2/14/07	\$34 24	\$23,396 00	\$13,694 00	\$9,702.00	13%
680 CVS	CVS Caremar	7/28/09	\$33 72	\$24,718 00	\$22,928 95	\$1,789.05	4%
180 DHR	Danaher	2/14/07	\$38 71	\$8,839.80	\$6,966 90	\$1,872 90	5%
540 ESRX	Express Scrip	9/20/10	\$47 92	\$29,300 40	\$25,874 41	\$3,425 99	16%
140 FISV	Fiserve	2/14/07	\$48 30	\$8,450 40	\$6,762 00	\$1,688.40	5%
360 FISV	Fiserve	9/14/09	\$47 98	\$21,729 60	\$17,274 59	\$4,455.01	13%
15 GOOG	Google	2/14/07	\$512 70	\$9,055 35	\$7,690 50	\$1,364 85	4%
35 GOOG	Google	7/28/09	\$440 08	\$21,129 15	\$15,402 80	\$5,726 35	17%
750 HPQ	Hewlett-Pack	4/25/11	\$40 52	\$26,377 50	\$30,389 95	(\$4,012 45)	-41%
510 MHS	Medco Health	8/20/08	\$46 60	\$32,068 80	\$23,765 99	\$8,302 81	11%
400 MDT	Medtronic	1/10/05	\$51 39	\$14,420 00	\$20,555 95	(\$6,135 95)	-5%
140 MDT	Medtronic	2/14/07	\$53 00	\$5,047.00	\$7,420 00	(\$2,373.00)	-8%
120 MDT	Medtronic	7/28/09	\$34 90	\$4,326 00	\$4,187 63	\$138.37	2%
430 ORCL	Oracle	9/14/09	\$22.76	\$13,149 40	\$9,786 42	\$3,362 98	17%
300 RMD	ResMed	2/14/07	\$21.02	\$9,087 00	\$6,306.75	\$2,780.25	9%
840 RMD	ResMed	7/28/09	\$20 29	\$25,443 60	\$17,039 64	\$8,403 96	22%
120 STJ	St Jude Med	7/28/09	\$38 83	\$5,580.00	\$4,659 35	\$920.65	9%
370 STJ	St Jude Med	4/24/08	\$44 39	\$17,205 00	\$16,424 37	\$780 63	1%
100 STJ	St Jude Med	10/3/08	\$43.37	\$4,650 00	\$4,336 95	\$313.05	2%
270 SYK	Stryker	7/13/04	\$55 00	\$14,671 80	\$14,848 65	(\$176.85)	0%
40 SYK	Stryker	12/13/06	\$55 61	\$2,173 60	\$2,224 35	(\$50 75)	0%
90 SYK	Stryker	12/14/06	\$55 76	\$4,890.60	\$5,018 45	(\$127 85)	-1%
150 SYK	Stryker	2/14/07	\$64.94	\$8,151 00	\$9,741 00	(\$1,590 00)	-4%
460 UNH	UnitedHealth	1/10/05	\$44 03	\$22,829 80	\$20,255 35	\$2,574.45	2%
125 UNH	UnitedHealth	2/14/07	\$48 78	\$6,203 75	\$6,096 88	\$106.87	0%
205 UNH	UnitedHealth	7/28/09	\$29.08	\$10,174 15	\$5,962 05	\$4,212 10	30%
470 WMT	WalMart	7/28/09	\$48.81	\$24,773 70	\$22,939 55	\$1,834 15	4%
100 WMT	WalMart	4/25/11	\$53 49	\$5,271 00	\$5,348 75	(\$77 75)	-5%
Subtotal				\$462,159 90	\$405,385 99	\$56,773.91	
Money Market Funds				\$2,539 43	\$2,539 43		
Total Stocks Owned				\$464,699 33	\$407,925.42	\$56,773.91	14%

Clay Foundation - West, Fund B
Current Portfolio by Purchase Lot
7/31/11

33-6339800

No. of Shares	Company	Date Bought	Cost/ Share	Current Value	Cost	Paper Gain/Loss	Ann'l. Perc. Gain
1700 AFL	Aflac	2/14/07	\$53 50	\$78,302 00	\$90,950 00	(\$12,648 00)	-3%
300 AFL	Aflac	11/12/09	\$44 67	\$13,818 00	\$13,400 65	\$417 35	2%
100 AAPL	Apple	7/27/10	\$263 13	\$39,048 00	\$26,313 15	\$12,734 85	48%
250 AAPL	Apple	9/21/10	\$284 20	\$97,620 00	\$71,049 95	\$26,570 05	45%
2100 BBY	Bed Bath Bey	2/14/07	\$34 24	\$122,829 00	\$71,893 50	\$50,935 50	13%
2600 CVS	CVS Caremar	2/14/07	\$37 77	\$94,510 00	\$98,202 00	(\$3,692 00)	-1%
2400 DHR	Danaher	2/14/07	\$38 71	\$117,854 00	\$92,892 00	\$24,972 00	5%
2400 ESRX	Expr Scripts	2/14/07	\$24 70	\$130,224 00	\$59,274 00	\$70,950 00	19%
1900 FISV	Fiserve	2/14/07	\$48 30	\$114,684 00	\$91,770 00	\$22,914 00	5%
200 GOOG	Google	2/14/07	\$512.70	\$120,738 00	\$102,540 00	\$18,198 00	4%
1700 HPQ	Hewlett-Packard	4/25/11	\$40 51	\$59,789 00	\$68,872 55	(\$9,083 55)	-41%
400	Hewlett-Packard	5/10/11	\$41.10	\$14,068 00	\$16,440 95	(\$2,372 95)	-50%
900 MHS	Medco Health	12/29/08	\$42 42	\$56,592 00	\$38,176 15	\$18,415 85	16%
600 MHS	Medco Health	7/28/09	\$50 90	\$37,728 00	\$30,542 95	\$7,185 05	11%
2200 MDT	Medtronic	7/28/09	\$34 79	\$79,310 00	\$76,546 65	\$2,763 35	2%
900 ORCL	Oracle	9/14/09	\$22 74	\$27,522 00	\$20,465 05	\$7,056 95	17%
1400 PEP	PepsiCo	2/14/07	\$67 69	\$89,656 00	\$94,766 00	(\$5,110 00)	-1%
3200 RMD	ResMed	7/28/09	\$20 21	\$96,928 00	\$64,660 17	\$32,267 83	22%
1900 STJ	St Jude Med	4/11/08	\$43 81	\$88,350 00	\$83,244 15	\$5,105 85	2%
300 STJ	St.Jude Med	5/12/08	\$41 55	\$13,950 00	\$12,464 65	\$1,485 35	4%
200 STRA	Strayer	10/1/10	\$160 85	\$24,330 00	\$32,170 95	(\$7,840 95)	-29%
400 STRA	Strayer	10/29/10	\$138 79	\$48,660 00	\$55,517 75	(\$6,857 75)	-16%
1400 SYK	Stryker	2/14/07	\$64 94	\$76,076 00	\$90,916 00	(\$14,840 00)	-4%
100 SYK	Stryker	5/12/08	\$64 48	\$5,434 00	\$6,447 75	(\$1,013 75)	-5%
300 SYK	Stryker	11/12/09	\$49 50	\$16,302 00	\$14,849 65	\$1,452 35	6%
2100 UNH	United Health	2/14/07	\$48 78	\$104,223 00	\$102,427 50	\$1,795 50	0%
500 UNH	United Health	5/12/08	\$32 78	\$24,815 00	\$16,388 45	\$8,426 55	14%
900 VAR	Varian Med	11/12/09	\$45 01	\$56,484 00	\$40,506 43	\$15,977 57	21%
300 VAR	Varian Med	9/21/10	\$60 27	\$18,828 00	\$18,080 05	\$747 95	5%
1600 WAG	Walgreens	7/28/09	\$30 21	\$62,464 00	\$48,328 95	\$14,135 05	14%
1300 WLP	Wellpoint	2/14/07	\$77.36	\$87,815 00	\$100,568 00	(\$12,753 00)	-3%
				\$2,018,961.00	\$1,750,666 00	\$268,295 00	
Money Market Funds				\$7,834 00	\$7,834 00		
Total Stocks Owned				\$2,026,795 00	\$1,758,500 00	\$268,295 00	15%