Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No. 1545-0052

2010

For calendar year 2010, or tax year beginning AUGUST 1, 2010, and ending JULY 31, 2011

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

Name of foundation: MARY-MORRIS STEIN FOUNDATION

A Employer identification number: 95-4705094

Number and street (or P.O box number if mail is not delivered to street address): 2029 CENTURY PARK EAST — Room/suite: 4000

B Telephone number (see page 10 of the instructions): 310 557 8100

City or town, state, and ZIP code: LOS ANGELES CA 90067

C If exemption application is pending, check here ▶ ☐

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ $ 1027430

J Accounting method: ☑ Cash ☐ Accrual ☐ Other (specify) (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 page 11 of the instructions).)*

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)				
	2	Check ▶ ☐ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	8.92	8.92		
	4	Dividends and interest from securities	22481.61	22481.61		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10				
	b	Gross sales price for all assets on line 6a				
	7	Capital gain net income (from Part IV, line 2)		-0-		
	8	Net short-term capital gain			-0-	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less: Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	22490.53	22490.53		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)	7971.00	7971.00		
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)	167.70	23.70		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	11.84	11.84		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	8150.54	8006.54		
	25	Contributions, gifts, grants paid	89036.95			89036.95
	26	**Total expenses and disbursements.** Add lines 24 and 25	97187.49	8006.54		89036.95
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	(74696.96)			
	b	**Net investment income** (if negative, enter -0-)		14483.99		
	c	**Adjusted net income** (if negative, enter -0-)				

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For Paperwork Reduction Act Notice, see page 30 of the instructions.

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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	75308	78128	78128
2	Savings and temporary cash investments			
3	Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
4	Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
7	Other notes and loans receivable (attach schedule) ▶			
	Less: allowance for doubtful accounts ▶			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10a	Investments—U.S. and state government obligations (attach schedule)	24942	24942	27598
b	Investments—corporate stock (attach schedule)	813360	710917	921704
c	Investments—corporate bonds (attach schedule)	25024		
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 the instructions. Also, see page 1, item I)	938634	813987	1027430
Liabilities				
17	Accounts payable and accrued expenses			
18	Grants payable	50 000		
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ▶)			
23	**Total liabilities** (add lines 17 through 22)	50 000		
Net Assets or Fund Balances				
	Foundations that follow SFAS 117, check here ▶ ☐ **and complete lines 24 through 26 and lines 30 and 31.**			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☐ **and complete lines 27 through 31.**			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg., and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	**Total net assets or fund balances** (see page 17 of the instructions)	888634	813987	
31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	938634	813987	

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	888634
2	Enter amount from Part I, line 27a	2	(74646.96)
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	813987
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	813987

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo , day, yr)
1a	See attached Statement			
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			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
	(i) F.M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col (j), if any	
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	<285337
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	3	-0-

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	54 448	985 572	0.0552
2008	55 594	920 684	0.0604
2007	67 106	1225 790	0.0547
2006	50 642	1218 299	0.0416
2005	54 987	1138 006	0.0483

2	**Total** of line 1, column (d)	2	0.2602
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	0.052
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	1032809
5	Multiply line 4 by line 3	5	53 706
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	145.
7	Add lines 5 and 6	7	53,851
8	Enter qualifying distributions from Part XII, line 4	8	89 037

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b	1	144	84
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		
3	Add lines 1 and 2	3	144	84
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	144	84
6	Credits/Payments:			
a	2010 estimated tax payments 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 ☐ if Form 2220 is attached	8	-0-	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	144	84
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** ▶ | **Refunded** ▶	11		

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		✓
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		✓
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		✓
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ ______ **(2)** On foundation managers. ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		✓
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		✓
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		✓
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		✓
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	✓	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	✓	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ ______			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	✓	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		✓
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		✓

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	

Website address ▶ www.caag.state.ca.us/charities

14 The books are in care of ▶ SHARI LEINWAND Telephone no. ▶ 310 557 8100

Located at ▶ 2029 CENTURY PARK EAST #4000, LA, CA ZIP+4 ▶ 90067

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

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

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☑ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	1b		✓
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c		✓
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ Yes ☐ No If "Yes," list the years ▶ 20__ , 20__ , 20__ , 20__			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 22 of the instructions.)	2b		✓
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ 20__ , 20__ , 20__ , 20__			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2010 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.)*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		✓
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		✓

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

5a During the year did the foundation pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No
(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☑ No
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b**

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

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

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? **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SHARI LEINWAND 2029 CENTURY PARK EAST #4000 LOS ANGELES, CA 90067	TRUSTEE*	-0-	-0-	-0-
* TIME DONATED AS NECESSARY				

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances

Total number of other employees paid over $50,000 ▶ -0-

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		-0-

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NOT APPLICABLE	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NOT APPLICABLE	
2	
All other program-related investments. See page 24 of the instructions. 3	
Total. Add lines 1 through 3 ▶	-0-

Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	954 375
b	Average of monthly cash balances	1b	94 162
c	Fair market value of all other assets (see page 25 of the instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	1048 537
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1048 537
4	Cash deemed held for charitable activities. Enter 1 ½ % of line 3 (for greater amount, see page 25 of the instructions)	4	15,728.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1032 809
6	**Minimum investment return.** Enter 5% of line 5	6	51 640

Part XI **Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6			1	51 640
2a	Tax on investment income for 2010 from Part VI, line 5	2a	145		
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	24		
c	Add lines 2a and 2b			2c	169
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	51471
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	51471
6	Deduction from distributable amount (see page 25 of the instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	51471

Part XII **Qualifying Distributions** (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	89 037
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	89 037
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	145
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	88 892

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

Part XIII Undistributed Income (see page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1	Distributable amount for 2010 from Part XI, line 7				51471
2	Undistributed income, if any, as of the end of 2010:				
a	Enter amount for 2009 only			38335	
b	Total for prior years: 20___, 20___, 20___				
3	Excess distributions carryover, if any, to 2010:				
a	From 2005				
b	From 2006				
c	From 2007				
d	From 2008				
e	From 2009				
f	**Total** of lines 3a through e				
4	Qualifying distributions for 2010 from Part XII, line 4: ► $ 89037				
a	Applied to 2009, but not more than line 2a			38335	
b	Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c	Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d	Applied to 2010 distributable amount				50702
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2010 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e. Subtract line 5				
b	Prior years' undistributed income. Subtract line 4b from line 2b				
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d	Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions				
e	Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions				
f	Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				769
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8	Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)				
9	**Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a	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				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

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

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

	Tax year	Prior 3 years			
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year—see page 28 of the instructions.)

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

Check here ▶ ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
EISENHOWER MEDICAL CENTER		PUBLIC	CAPITAL CAMPAIGN	50,000.00
HUMAN RIGHTS WATCH		PUBLIC	OPERATIONS	26,392.95
ACLU FOUNDATION OF SOUTHERN CALIFORNIA		PUBLIC	OPERATIONS	114.00
COMMUNITY PARTNERS FBO COLLEGE MATCH		PUBLIC	OPERATIONS	5,030.00
COMMUNITY PARTNERS FBO READY, SET, READ		PUBLIC	OPERATIONS	2,500.00
STONE SOUP CHILD CARE PROGRAMS		PUBLIC	OPERATIONS	5,000.00
Total . . . . . . ▶ 3a				89036.95
b *Approved for future payment*				
Total . . . . . . ▶ 3b				-0-

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See page 28 of the instructions.)
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	9	
4 Dividends and interest from securities			14	22482	
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					
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)				22491	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 22491

(See worksheet in line 13 instructions on page 29 to verify calculations.)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See page 29 of the instructions.)
	NA

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		✓
	(2) Other assets	1a(2)		✓
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		✓
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		✓
	(3) Rental of facilities, equipment, or other assets	1b(3)		✓
	(4) Reimbursement arrangements	1b(4)		✓
	(5) Loans or loan guarantees	1b(5)		✓
	(6) Performance of services or membership or fundraising solicitations	1b(6)		✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		✓

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

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

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☑ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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

Signature of officer or trustee | Date: 12/14/11 | Title: TRUSTEE

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

Mary-Morris Stein Foundation
95-4705094
Operating & Administrative Expenses
Year Ended July 31, 2011

Description	Amount
Other Professional Fees:	
Clifford Swan Investment Counsel financial management advisor fees*	$ 7,971.00
Other Expenses:	
Foreign tax paid on dividends	23.70
Miscellaneous fees	1.84
Filing fees	10.00
Excise tax	144.00
Reimbursement of expenses	-
	$ 179.54

Mary-Morris Stein Foundation
95-4705094
Assets On Hand

Description	Beginning Of Year Book Value 8/1/10	End Of Year Book Value 7/31/11	End Of Year Fair Market Value 7/31/11
Savings & Temporary Cash Investments			
Schwab U S Treas Money Fund*	81,606	78,128	78,128
Investments - Government Bonds			
U S TIPS 0 5% Due 4-15-15	24,942	24,942	27,598
Investments - Corporate Stocks/Mutual Funds			
3M Company	15,526	15,526	30,499
Abbott Laboratories	26,056	26,056	35,924
Accenture PLC Cl A	23,595	23,595	35,484
Agilent Technologies	23,661	15,087	25,296
Alliance Bernstein Int'l Growth Adv	38,184	38,184	33,063
Allscripts Healthcare Solutions, Inc	-	11,816	10,890
AT&T Inc	38,468	38,468	23,408
Automatic Data Proc	19,497	19,497	25,745
BP PLC - Spons ADR	11,637	-	-
BRE Properties Cl A	30,585	30,585	52,480
Canon Inc ADR	15,881	-	-
Causeway Intl Value Investor	20,590	20,590	18,026
Chevron Corp	20,986	20,986	52,010
Cisco Systems, Inc.	28,862	-	-
Citigroup Inc	30,013	-	-
Costco Wholesale Corp	19,145	9,573	15,650
Emerson Electric Co	13,244	13,244	24,545
ExxonMobil Corporation	27,520	27,520	55,853
General Electric Co.	24,740	24,740	14,328
Hewlett-Packard Co.	13,233	13,233	17,585
Home Depot, Inc	20,539	20,539	17,465
Intel Corp	37,068	29,158	17,864
International Bus Mach	22,087	22,087	45,463
J P Morgan Chase & Co.	35,240	35,240	40,450
Johnson & Johnson	21,372	21,372	32,395
Keeley Small Cap Value A	19,501	19,501	19,724
Matthews Pacific Tiger Fund	17,166	17,166	20,755
Medtronic Inc	19,390	-	-
Microsoft Corp.	21,617	21,617	21,920
PepsiCo Inc.	20,930	20,930	25,616
Pfizer, Inc	30,048	30,048	22,983
Procter & Gamble Co	12,021	12,021	24,596
Sigma-Aldrich Corp	14,247	10,937	53,680
SYSCO Corp	13,694	13,694	18,354
Target Corp	19,835	19,835	25,745
Templeton Global Income Fund	-	5,270	5,410
Transocean Ltd	7,243	14,136	12,312
United Parcel Service	18,283	18,283	20,766
Wells Fargo	-	8,727	5,588
William Blair Small Cap Growth	21,658	21,658	19,832
Total Corporate Stocks	813,360	710,917	921,704
Investments - Corporate Bonds			
General Electric Capital Corp 4 25% Due 12-1-10	25,024	-	-
TOTAL ASSETS	**944,933**	**813,987**	**1,027,430**

* These amounts represent actual cash held and do not reflect the yearend payable resulting from the accrual of certain grants and expenses as noted on the statement of "Operating & Administrative Expenses"

Mary-Morris Stein Foundation
95-4705094
Monthly Fair Market Value Of Securities
Year Ended July 31, 2011

Description	Beginning Market Value	Ending Market Value	Average Market Value
August, 2010	922,849	859,747	891,298
September, 2010	859,747	931,227	895,487
October, 2010	931,227	928,714	929,971
November, 2010	928,714	922,420	925,567
December, 2010	922,420	952,030	937,225
January, 2011	952,030	968,050	960,040
February, 2011	968,050	987,515	977,782
March, 2011	987,515	987,401	987,458
April, 2011	987,401	1,033,166	1,010,283
May, 2011	1,033,166	971,855	1,002,510
June, 2011	971,855	974,303	973,079
July, 2011	974,303	949,302	961,802
Total Of Monthly Averages			11,452,503
Average monthly fair market value of securities			954,375

Mary-Morris Stein Foundation
95-4705094
Monthly Cash Balances
Year Ended July 31, 2011

Description	Beginning Market Value	Ending Market Value	Average Market Value
Cash held in Schwab Money funds			
August, 2010	81,606	63,123	72,365
September, 2010	63,123	66,476	64,800
October, 2010	66,476	90,227	78,352
November, 2010	90,227	87,185	88,706
December, 2010	87,185	115,969	101,577
January, 2011	115,969	87,235	101,602
February, 2011	87,235	88,144	87,690
March, 2011	88,144	91,382	89,763
April, 2011	91,382	90,083	90,732
May, 2011	90,083	139,323	114,703
June, 2011	139,323	130,929	135,126
July, 2011	130,929	78,128	104,529
Total Of Monthly Averages			1,129,944
Average monthly cash balance			94,162

CLIFFORD SWAN
INVESTMENT COUNSEL

CLIFFORD SWAN INVESTMENT COUNSEL

REALIZED GAINS AND LOSSES - SETTLED TRADES

Mary-Morris Stein Foundation

Shari Leinwand

From 08-01-10 Through 07-31-11

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
12-21-04	08-31-10	75	Canon Inc. ADR	2,588		3,030		442
12-15-03	08-31-10	450	Canon Inc. ADR	13,293		18,181		4,888
08-23-99	10-08-10	200	Sigma-Aldrich Corp.	3,310		12,362		9,052
12-21-04	10-26-10	200	Costco Wholesale Corp.	9,573		12,651		3,078
12-31-04	12-01-10	25,000	General Electric Capital Corp MTN N/C 4.250% Due 12-01-10	25,024	-24	25,000		0
12-21-04	05-24-11	200	BP PLC - Spons ADR	11,637		8,769		-2,868
12-21-04	05-24-11	400	Medtronic Inc.	19,390		17,127		-2,263
02-09-01	05-24-11	200	Cisco Systems, Inc.	7,143		3,328		-3,814
08-23-99	05-24-11	400	Cisco Systems, Inc.	12,805		6,656		-6,149
05-31-01	05-24-11	400	Cisco Systems, Inc.	8,914		6,656		-2,258
09-29-00	05-24-11	20	Citigroup Inc.	10,222		825		-9,397
06-05-00	05-24-11	27	Citigroup Inc.	11,603		1,100		-10,503
03-13-00	05-24-11	13	Citigroup Inc.	4,698		550		-4,148
07-01-02	05-24-11	10	Citigroup Inc.	3,490		413		-3,078
02-09-01	05-24-11	62	Agilent Technologies	3,048		3,180		132
10-15-99	05-24-11	38	Agilent Technologies	1,684		1,949		265
08-02-00	05-24-11	100	Agilent Technologies	3,842		5,129		1,288
08-23-99	05-24-11	200	Intel Corp.	7,910		4,694		-3,216
TOTAL GAINS							0	19,146
TOTAL LOSSES							0	-47,693
				160,174	-24	131,602	0	-28,547

TOTAL REALIZED GAIN/LOSS -28,547

CAPITAL GAIN DISTRIBUTIONS

CLIFFORD SWAN
INVESTMENT COUNSEL

CLIFFORD SWAN INVESTMENT COUNSEL

REALIZED GAINS AND LOSSES - SETTLED TRADES

Mary-Morris Stein Foundation

Shari Leinwand

From 08-01-10 Through 07-31-11

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
	12-31-10		Templeton Global Income Fund					12
	12-31-10		Templeton Global Income Fund				2	
TOTAL DISTRIBUTIONS			14				2	12
							2	**-28,535**
TOTAL GAIN/LOSS			-28,533					