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

2010

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

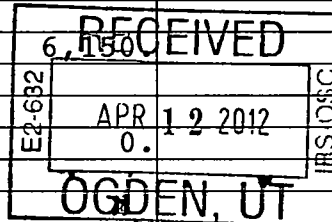
For calendar year 2010, or tax year beginning DEC 1, 2010, and ending NOV 30, 2011

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

Name of foundation DEERING FOUNDATION		A Employer identification number 36-6051876
Number and street (or P.O. box number if mail is not delivered to street address) 410 NORTH MICHIGAN AVENUE	Room/suite 590	B Telephone number 312-644-6720
City or town, state, and ZIP code CHICAGO, IL 60611		C If exemption application is pending, 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		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 12,872,616.	J Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
(Part I, column (d) must be on cash basis.)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check ☒ if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		256.	281.		
4 Dividends and interest from securities		334,531.	331,198.		
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		142,117.			
b Gross sales price for all assets on line 6a		2,046,223.			
7 Capital gain net income (from Part IV, line 2)			142,117.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		168.	168.		STATEMENT 1
12 Total. Add lines 1 through 11		477,072.	473,764.		
13 Compensation of officers, directors, trustees, etc.		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 2		12,300.	6,150.		6,150.
c Other professional fees					
17 Interest					
18 Taxes STMT 3		9,978.			0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 4		2,427.	2,025.		402.
24 Total operating and administrative expenses. Add lines 13 through 23		24,705.	8,175.		6,552.
25 Contributions, gifts, grants paid		485,000.			485,000.
26 Total expenses and disbursements. Add lines 24 and 25		509,705.	8,175.		491,552.
27 Subtract line 26 from line 12		<32,633.>			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)			465,589.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments		1,714,548.	1,506,540.	1,506,540.
	3	Accounts receivable ▶ 47,235.				
		Less: allowance for doubtful accounts ▶		44,228.	47,235.	47,235.
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges		189.	189.	189.
	10a	Investments - U.S. and state government obligations				
	b	Investments - corporate stock STMT 5		8,916,215.	9,318,586.	9,318,586.
	c	Investments - corporate bonds STMT 6		2,060,953.	2,000,066.	2,000,066.
11	Investments - land, buildings, and equipment basis ▶					
	Less: accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other					
14	Land, buildings, and equipment basis ▶					
	Less: accumulated depreciation ▶					
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers)		12,736,133.	12,872,616.	12,872,616.	
Liabilities	17	Accounts payable and accrued expenses		5,750.	4,800.	
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶ STATEMENT 7)		24,275.	21,151.	
23	Total liabilities (add lines 17 through 22)		30,025.	25,951.		
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		12,706,108.	12,846,665.	
	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		12,706,108.	12,846,665.	
	31	Total liabilities and net assets/fund balances		12,736,133.	12,872,616.	

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	12,706,108.
2	Enter amount from Part I, line 27a	2	<32,633.>
3	Other increases not included in line 2 (itemize) ▶ ADJUST SECURITIES TO FMV	3	173,190.
4	Add lines 1, 2, and 3	4	12,846,665.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	12,846,665.

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		P	VARIOUS	VARIOUS
b SEE ATTACHED STATEMENT		P	VARIOUS	VARIOUS
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 183,244.		166,707.	16,537.
b 1,862,979.		1,737,399.	125,580.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			16,537.
b			125,580.
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	142,117.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	{ If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8 }	3	N/A

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	491,377.	12,016,929.	.040890
2008	732,895.	10,699,450.	.068498
2007	731,695.	13,770,934.	.053133
2006	735,790.	15,906,474.	.046257
2005	735,067.	14,630,773.	.050241

2 Total of line 1, column (d)	2	.259019
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	.051804
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	12,818,563.
5 Multiply line 4 by line 3	5	664,053.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,656.
7 Add lines 5 and 6	7	668,709.
8 Enter qualifying distributions from Part XII, line 4	8	491,552.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		1	9,312.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
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	9,312.
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	9,312.
6 Credits/Payments			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a 8,200.		
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	8,200.
8 Enter any penalty for underpayment of estimated tax. Check here ☒ 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	1,112.
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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
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 ☐ \$ 0. (2) On foundation managers ☐ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ IL		
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

N/A

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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)			X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?		X	
Website address ► N/A				
14	The books are in care of ► JOHN RAU Telephone no ► 312-644-6720			
Located at ► 410 NORTH MICHIGAN AVENUE, 590, IL		ZIP+4 ► 60611		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	► 15 N/A		
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
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 ►				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? ☐ 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)? Organizations relying on a current notice regarding disaster assistance check here ► ☐	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ Yes ☒ No		
If "Yes," list the years ►			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
b	If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.) N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

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

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

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☒ Yes ☐ No

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

☐ Yes ☒ No

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

5b

X

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

X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 10				
	0.00	0.	0.	0.

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

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

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

0

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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	11,814,549.
b	Average of monthly cash balances	1b	1,199,221.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	13,013,770.
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	13,013,770.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	195,207.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	12,818,563.
6	Minimum investment return. Enter 5% of line 5	6	640,928.

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	640,928.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	9,312.
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	9,312.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	631,616.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	631,616.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	631,616.

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	491,552.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	491,552.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	491,552.

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

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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				631,616.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2010				
a From 2005	30,271.			
b From 2006				
c From 2007	51,844.			
d From 2008	204,332.			
e From 2009				
f Total of lines 3a through e	286,447.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$	491,552.			
a Applied to 2009, but not more than line 2a			0.	
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				491,552.
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).)	140,064.			140,064.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	146,383.			
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 instr			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	146,383.			
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008	146,383.			
d Excess from 2009				
e Excess from 2010				

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

N/A

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

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

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 <i>Paid during the year</i> SEE STATEMENT 11				485,000.
Total			▶ 3a	485,000.
b <i>Approved for future payment</i> NONE				
Total			▶ 3b	0.

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
	(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	256.	
4 Dividends and interest from securities			14	334,531.	
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			14	168.	
8 Gain or (loss) from sales of assets other than inventory			18	142,117.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)		0.		477,072.	0.
13 Total. Add line 12, columns (b), (d), and (e)				13	477,072.

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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

		Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a	Transfers from the reporting foundation to a noncharitable exempt organization of		
	(1) Cash	1a(1)	X
	(2) Other assets	1a(2)	X
b	Other transactions		
	(1) Sales of assets to a noncharitable exempt organization	1b(1)	X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)	X
	(3) Rental of facilities, equipment, or other assets	1b(3)	X
	(4) Reimbursement arrangements	1b(4)	X
	(5) Loans or loan guarantees	1b(5)	X
	(6) Performance of services or membership or fundraising solicitations	1b(6)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

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

☐ Yes ☒ No

b If "Yes," complete the following schedule

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

**Sign
Here**

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

MS

Signature of officer or trustee John Rau

4/5/12

Date _____

PRESIDENT

Title

Print/Type preparer's name

Preparer's signature

Date _____

Check ☐
self-employed

PTIN

**Paid
Preparer
Use Only**

Firm's name ▶

Firm's EIN ▶

Firm's address ►

Phone no

FORM 990-PF	OTHER INCOME	STATEMENT	1
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
SECURITY LITIGATION	168.	168.	
TOTAL TO FORM 990-PF, PART I, LINE 11	168.	168.	

FORM 990-PF	ACCOUNTING FEES	STATEMENT	2
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	12,300.	6,150.		6,150.
TO FORM 990-PF, PG 1, LN 16B	12,300.	6,150.		6,150.

FORM 990-PF	TAXES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DEFERRED FEDERAL EXCISE TAX	9,978.	0.		0.
TO FORM 990-PF, PG 1, LN 18	9,978.	0.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OTHER EXPENSES-SEE STMT 8	2,427.	2,025.		402.
TO FORM 990-PF, PG 1, LN 23	2,427.	2,025.		402.

FORM 990-PF	CORPORATE STOCK	STATEMENT	5
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK - SEE STATEMENT 8	9,318,586.	9,318,586.
TOTAL TO FORM 990-PF, PART II, LINE 10B	9,318,586.	9,318,586.

FORM 990-PF	CORPORATE BONDS	STATEMENT	6
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS - SEE STATEMENT 8	2,000,066.	2,000,066.
TOTAL TO FORM 990-PF, PART II, LINE 10C	2,000,066.	2,000,066.

FORM 990-PF	OTHER LIABILITIES	STATEMENT	7
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DESCRIPTION	BOY AMOUNT	EOY AMOUNT
DEFERRED TAX EXPENSE	24,275.	21,151.
TOTAL TO FORM 990-PF, PART II, LINE 22	24,275.	21,151.

DEERING FOUNDATION
 DETAIL GAIN AND LOSS REPORT
 FOR THE YEAR ENDED NOVEMBER 30, 2011
 EIN: 36-6051876

Description		Disposition Date	Acquisition Date	Sale Proceeds	Cost Basis	Realized Gain/Loss
Short Term Sales						
1,250 Shs	ISHARES MSCI EMERG MKTS INDEX	01/26/11	01/14/11	58,605	59,787	(1,182)
4,000 Shs	BRISTOL-MYERS SQUIBB COMPANY	09/29/11	04/04/11	124,640	106,920	17,720
Total Short Term Sales				183,245	166,707	16,537
Long Term Sales						
2,800 Shs	ZIMMER HOLDINGS, INC.	04/04/11	Various	170,331	12,228	158,104
2,950 Shs	SPDR S&P 500 ETF TRUST	01/14/11	11/09/06	379,304	408,811	(29,506)
3,175 Shs	SPDR S&P 500 ETF TRUST	10/10/11	11/09/06	375,564	439,991	(64,427)
3,200 Shs	STAPLES, INC.	07/01/11	08/19/08	50,824	76,085	(25,261)
3,200 Shs	STAPLES, INC.	07/05/11	08/21/08	50,617	74,854	(24,237)
5,800 Shs	MICROSOFT CORPORATION	06/21/11	02/21/03	143,283	142,448	835
9,450 Shs	ISHARES MSCI EMERG MKTS INDEX	01/26/11	11/08/06	443,055	332,983	110,072
250,000	TARGET CORP. 6 35% 01/15/11	01/18/11	09/12/07	250,000	250,000	-
Total Long Term Sales				1,862,979	1,737,399	125,580

DEERING FOUNDATION, E I #36-6051876, SCHEDULE OF INFORMATION FOR FORM 990-PF
FOR YEAR ENDED NOVEMBER 30, 2011

PART I, LINE 23, OTHER EXPENSES

	<u>Amount</u>
Liability Insurance	\$ 754 *
Asset Custody Fee	1,648
Filing Fee	25
Total	<u>2,427</u>

* Note - 50% of liability insurance charged against investment income

PART II, LINE 10, INVESTMENT-SECURITIES

<u>Description</u>	<u>Number of Shares or Principal Amount</u>	<u>Book Value and Fair Market Value</u>
Stock		
Amphenol Corporation	3,650	\$165,454
Boeing Company	1,750	120,208
Baxter International Inc	3,700	191,142
Bristol-Myers Squibb Company	13,675	447,446
Caterpillar Inc	1,800	176,184
Coca Cola Corporation	3,025	203,371
Colgate - Palmolive Company	2,100	192,150
CVS Corporation	3,425	133,027
Walt Disney Corporation	5,425	194,486
The Dow Chemical Company	6,225	172,495
Du Pont E I De Nemours & CO	2,900	138,388
Wisdomtree Emerging Mkts Inc	3,000	157,170
Exxon Mobil Corporation	5,372	432,124
IShares-S & P Midcap 400 Index	7,350	649,740
IShares-MSCI EAFE Index	21,850	1,120,687
IShares-Russell 2000 Index	6,525	480,958
International Business Machines	850	159,800
Intel Corporation	9,000	224,190
General Electric Company	15,650	248,992
Johnson & Johnson	5,750	372,140
Eli Lilly & Company	4,775	180,734
Lockheed Martin Corporation	1,675	130,901
Mcdonald's Corporation	2,575	245,964
Medco Health Solutions, Inc	2,412	136,688
Merck & Company, Inc	7,900	282,425
3M Company	3,200	259,328
Northern Trust Corporation	2,150	80,905
Paychex Inc	4,550	132,451
Pepsico	2,200	140,800
Procter & Gamble Company	2,000	129,140
Qualcomm Inc Com	2,375	130,150
Spider Trust Series 1	4,850	606,784
Target Corporation	3,300	173,910
United Technologies Corporation	2,000	153,200
Vanguard MSCI Emerging Mkt ETF	6,880	280,704
Walgreens Company	4,225	142,467
Wells Fargo & Company	5,100	131,886
Total Stocks		<u>\$9,318,586</u>

PART II, LINE 10, INVESTMENT-SECURITIES (cont'd)

<u>Description</u>	<u>Number of Shares or Principal Amount</u>	<u>Book Value and Fair Market Value</u>
Corporate Bonds		
Agilent Tech 6 5%	100,000	\$ 115,277
Air Products 7 25%	200,000	240,802
Burlington North 6 875%	200,000	232,170
Covidien 6%	100,000	119,064
Dr Pepper Snap 6 82%	100,000	123,618
GE Capital 4 8%	250,000	261,099
Ingersoll - Rand 6 875%	100,000	120,510
Coca Cola Co 4 875%	100,000	115,136
Mead Johnson Nutr 4 9%	100,000	109,448
United Tech 4 875%	250,000	279,641
Walt Disney 6 2%	250,000	283,301
Total Corporate Bonds		<u>\$ 2,000,066</u>

DEERING FOUNDATION, E.I. #36-6051876, SCHEDULE OF INFORMATION FOR FORM 990-PF
FOR YEAR ENDED 11/30/11

PART VII-B, ITEM 5 - STATEMENTS REGARDING ACTIVITIES
GRANTS TO WHICH EXPENDITURE RESPONSIBILITY APPLIED:

Grants made during year ended 11/30/11:

- 1 a. Grantee - Gibbet Hill Foundation, Chicago, IL
b. Date and amount of grant - 12/17/10, \$150,000
c. Purpose - For use by the grantee in pursuing its exempt purposes in such a manner as will not cause the grantor to incur a Chapter 42 excise tax.
d. Amount expended by grantee - \$150,000 (see Statement 9(a)).
e. Diversion of funds - The grantor has no knowledge that any portion of the \$150,000 grant has been diverted from the purpose of the grant.
f. Reports received from grantee - see Statement 9(a).
g. Verification of the grantee's report - The grantor has access to the grantee's financial statements, which are examined by Certified Public Accountants
- 2 a. Grantee - James Deering Danielson Foundation, Chicago, IL
b. Date and amount of grant - 12/17/10, \$150,000
c. Purpose - For use by the grantee in pursuing its exempt purposes in such a manner as will not cause the grantor to incur a Chapter 42 excise tax
d. Amount expended by grantee - \$150,000 (see Statement 9(b)).
e. Diversion of funds - The grantor has no knowledge that any portion of the \$150,000 grant has been diverted from the purpose of the grant
f. Reports received from grantee - see Statement 9(b).
g. Verification of the grantee's report - The grantor has access to the grantee's financial statements, which are examined by Certified Public Accountants.
- 3 a. Grantee - The Danielson Foundation, Chicago, IL
b. Date and amount of grant - 12/17/10, \$150,000
c. Purpose - For use by the grantee in pursuing its exempt purposes in such a manner as will not cause the grantor to incur a Chapter 42 excise tax.
d. Amount expended by grantee - \$150,000 (see Statement 9(c)).
e. Diversion of funds - The grantor has no knowledge that any portion of the \$150,000 grant has been diverted from the purpose of the grant.
f. Reports received from grantee - see Statement 9(c).
g. Verification of the grantee's report - The grantor has access to the grantee's financial statements, which are examined by Certified Public Accountants.

DEERING FOUNDATION, E.I. #36-6051876, SCHEDULE OF INFORMATION FOR FORM 990-PF

INFORMATION RECEIVED FROM THE GIBBET HILL FOUNDATION

Grants dated December 17, 2010
in the amount of \$150,000
Report dated December 12, 2011

<u>Date Given</u>	<u>Public Charity</u>	<u>Amount</u>
09/23/11	Colorado Children's Choral	\$ 40,000
09/23/11	Denver Earth Resources Library	20,000
09/23/11	Groton School	
	Malcolm Strachan Chair of English Literature	25,000
	Faculty Salaries Fund	25,000
	Marion Danielson Campbell Performing Arts Center	15,000
09/23/11	New Orleans Geological Society Memorial Foundation	15,000
09/23/11	Northwestern University	
	Deering Library Fund	10,000
	(Portion of a \$25,000 contribution)	
	TOTAL	<u>150,000</u>

STATEMENT 9(a)

DEERING FOUNDATION, E.I. #36-6051876, SCHEDULE OF INFORMATION FOR FORM 990-PF

INFORMATION RECEIVED FROM THE JAMES DEERING DANIELSON FOUNDATION

Grants dated December 17, 2010
in the amount of \$150,000
Report dated December 12, 2011

<u>Date Given</u>	<u>Public Charity</u>	<u>Amount</u>
09/20/11	Adopt-A-Classroom Inc	\$5,000
09/20/11	Alzheimer's Association	5,000
09/20/11	American Foreign Policy Council	2,000
09/20/11	Americans for Prosperity Foundation	1,500
09/20/11	Americans for Tax Reform Foundation	2,000
09/20/11	Art Institute of Chicago	5,000
09/20/11	Atlas Economic Research Foundation	1,000
09/20/11	Breakthrough Miami, Inc	7,500
09/20/11	Brentwood Lacrosse Club	4,000
09/20/11	Capital Research Center	10,000
09/20/11	Center for Freedom and Prosperity	5,000
09/20/11	Center for Security Policy	500
09/20/11	Clare Booth Luce Policy Institute	1,500
09/20/11	Competitive Enterprise Institute	1,500
09/20/11	Deering Estate Foundation	15,000
09/20/11	Deering Estate Foundation – Artist Village – Youth Village	5,000
09/20/11	The Discovery Institute	1,000
09/20/11	Doctors Without Borders	2,500
09/20/11	Fairchild Tropical Garden	2,500
09/20/11	Foxcroft School	2,500
09/20/11	Freedom Center	2,000
09/20/11	Friends of Acadia	5,000
09/20/11	The Heritage Foundation	2,500
09/20/11	The Heritage Foundation of Franklin & Williamson County	5,000
09/20/11	Hillsdale College	500
09/20/11	Institute for Humane Studies	2,000
09/20/11	Institute of World Politics	5,000
09/20/11	Intercollegiate Studies Institute	1,000
09/20/11	International Foundation for Art Research	10,000
09/20/11	Ketchum-Sun Valley Volunteer Associates, Inc.	2,000
09/20/11	Leadership Institute	2,000
09/20/11	Media Research Center	2,000
09/20/11	Mercatus Center	2,000
09/20/11	Mont Pelerin Society	1,000
09/20/11	Mount Desert Nursing Association	5,000
09/20/11	Musical Arts Association of Miami	3,000
09/20/11	National Policy Center for Policy Analysis	2,500
09/20/11	Northeast Harbor Ambulance Service Inc	2,500
09/20/11	The Philadelphia Society	1,000
09/20/11	Ransom Everglades	10,000
09/20/11	Reason Foundation	2,000
09/20/11	Sun Valley Summer Symphony	2,000
	(Portion of a \$2,500 contribution)	
	Total	<u>\$150,000</u>

STATEMENT 9(b)

DEERING FOUNDATION, E.I. #36-6051876, SCHEDULE OF INFORMATION FOI

INFORMATION RECEIVED FROM THE DANIELSON FOUNDATION

Grants dated December 17, 2010
in the amount of \$150,000
Report dated December 12, 2011

<u>Date Given</u>	<u>Public Charity</u>	<u>Amount</u>
10/26/11	Doctors Without Borders	\$5,000
10/26/11	Faith in America	5,000
10/26/11	Four Winds, Inc.	3,500
10/26/11	Friends of the Woodside Library	2,500
10/26/11	Groton School	
	RED, Jr. Scholarship Fund	5,000
	Unrestricted Fund	25,000
10/26/11	Hanley Hazeldon	2,000
10/26/11	Hollywood – Sunset Free Clinic	2,000
10/26/11	Hoover Institution on War, Revolution and Peace	2,500
10/26/11	Hospice Foundation of Palm Beach County, Inc.	2,000
10/26/11	Human Rights Watc	
	General Operating	5,000
	Lesbian, Gay, Bisexual & Transgender Rights	3,000
10/26/11	Liberty Hill Foundation	
	General Fund	15,000
10/26/11	Los Angeles Art (LAX Art)	25,500
10/26/11	Nature Conservancy	2,500
10/26/11	Planned Parenthood of the Palm Beach and Treasure Coast Area, Inc.	2,000
10/26/11	Sagebrush Equine Training Center for the Handicappe	2,000
10/26/11	Sawtooth Botanical Gardens	1,000
10/26/11	St. Luke's Wood River Foundation	30,000
10/26/11	Soulforce Inc.	3,000
10/26/11	Sun Valley Summer Symphony	5,000
10/26/11	Thacher School (Annual Fund)	1,500
	(Portion of a \$8,000 contribution)	
TOTAL		<u>\$ 150,000</u>

STATEMENT 9(c)

DEERING FOUNDATION, E I #36-6051876, SCHEDULE OF INFORMATION FOR FORM 990-PF

PART VIII, ITEM 1, LIST OF OFFICERS, DIRECTORS, TRUSTEES FOUNDATION MANAGER AND THEIR COMPENSATION

<u>Name and address</u>	<u>Title, and average hours per week devoted to position</u>	<u>Compensation</u>	<u>Contributions to employee benefit plans and deferred compensation</u>	<u>Expense account, other allowances</u>
John Rau	President/Director (1)	None	None	None
Barbara S Danielson *	Vice President/Director (1)	None	None	None
Candida D Burnap *	Vice President/Director (1)	None	None	None
Jocelyn D Tennille *	Director (1)	None	None	None
Stephen M Strachan *	Director (1)	None	None	None
Charles E Seitz *	Director (1)	None	None	None
Susan D Pattock *	Secretary/Treasurer (1)	None	None	None
Barbara Goering *	Assistant Secretary/Assistant Treasurer (1)	None	None	None

* 410 North Michigan Avenue
Room 590
Chicago, Illinois 60611

(1) as necessary on an irregular basis

PART XV, ITEM 2, INFORMATION REGARDING CONTRIBUTION, GRANT, GIFT, LOAN, SCHOLARSHIP, ETC , PROGRAMS

Grants, scholarships, fellowships, loans, etc generally are not made based upon an application The Foundation has no formal application process as recipients are limited to organizations described in Section 170(c) of the Internal Revenue Code and are determined by the Foundation's Board of Directors

DEERING FOUNDATION, E.I. #36-6051876, SCHEDULE OF INFORMATION FOR FORM 990-PF FOR THE YEAR ENDED 11/30/11

PART XV. ITEM 3-GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR OR APPROVED FOR FUTURE PAYMENT

CHARITABLE:

	Pledged as of 11/30/10	Approved During Fiscal Year 2011	Paid During Fiscal Year 2011	Pledged as of 11/30/11
The Danielson Foundation, Chicago, Illinois.....	\$ -	\$ 150,000	\$ 150,000	\$ -
Gibbet Hill Foundation, Chicago, Illinois.....		150,000	150,000	
James Deering Danielson Foundation, Chicago, Illinois		150,000	150,000	
Subtotal.....		450,000	450,000	

CULTURAL:

The Art Institute of Chicago, Chicago, Illinois....		35,000	35,000	
Subtotal.....		35,000	35,000	
TOTAL \$	-	\$ 485,000	\$ 485,000	\$ -

NOTE. Except as noted, all grants and contributions listed above are classified as unrestricted and are to be used for the general exempt purpose of the organization to which the grant or contribution was made. Except for the Danielson Foundation, James Deering Danielson Foundation, and Gibbet Hill Foundation, which are private non-operating foundations, all of these organizations are "public charities" and none is related to the Deering Foundation.