

Form **990**
 Department of the Treasury
 Internal Revenue Service

Return of Organization Exempt From Income Tax
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)
 The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047
2009
Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 01-01-2009 and ending 12-31-2009

- B** Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization
 AMERICAN ENTERPRISE INSTITUTE FOR PUBLIC POLICY RESEARCH
 Doing Business As
 Number and street (or P O box if mail is not delivered to street address) Room/suite
 1150 17TH STREET NW
 City or town, state or country, and ZIP + 4
 WASHINGTON, DC 200364670

D Employer identification number
 53-0218495
E Telephone number
 (202) 862-5800
G Gross receipts \$ 83,546,724

F Name and address of principal officer
 arthur c brooks
 1150 17TH ST NW
 WASHINGTON, DC 20036

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list (see instructions)
H(c) Group exemption number

I Tax-exempt status 501(c) (3) (insert no) 4947(a)(1) or 527

J Website: WWW AEI ORG

K Form of organization Corporation Trust Association Other

L Year of formation 1943 **M** State of legal domicile DC

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities The American Enterprise Institute is a community of scholars and supporters committed to expanding liberty, increasing individual opportunity, and strengthening free enterprise. AEI pursues these unchanging ideals through independent thinking, open debate, reasoned argument, facts, and the highest standards of research and exposition. Without regard for politics or prevailing fashion, we dedicate our work to a more prosperous, safer, and democratic nation and world.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	26
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	25
	5 Total number of employees (Part V, line 2a)	5	218
	6 Total number of volunteers (estimate if necessary)	6	136
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	50,001
b Net unrelated business taxable income from Form 990-T, line 34	7b	-100	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	58,988,984	47,301,847
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,091,925	688,724
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-9,057,309	4,533,684
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	50,952,567	52,524,255
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	943,167	183,124
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	15,888,111	16,258,157
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b Total fundraising expenses (Part IX, column (D), line 25) <input checked="" type="checkbox"/> 1,905,671		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	13,093,547	9,221,389
18 Total expenses—Add lines 13–17 (must equal Part IX, column (A), line 25)	29,924,825	25,662,670	
19 Revenue less expenses—Subtract line 18 from line 12	21,027,742	26,861,585	
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	108,177,680	137,496,414
	21 Total liabilities (Part X, line 26)	3,809,246	2,844,935
22 Net assets or fund balances—Subtract line 21 from line 20	104,368,434	134,651,479	

Part II Signature Block

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

Signature of officer: ***** Date: 2010-11-09
 Type or print name and title: ern covington cfo

Paid Preparer's Use Only
 Preparer's signature: B JENNINE ANDERSON Date: _____
 Check if self-employed:
 Preparer's identifying number (see instructions): _____
 Firm's name (or yours if self-employed), address, and ZIP + 4: UHY ADVISORS MID-ATLANTIC MD INC, 6851 OAK HALL LANE STE 300, COLUMBIA, MD 21045
 EIN: _____
 Phone no: (410) 720-5220

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

The American Enterprise Institute is a community of scholars and supporters committed to expanding liberty, increasing individual opportunity, and strengthening free enterprise. AEI pursues these unchanging ideals through independent thinking, open debate, reasoned argument, facts, and the highest standards of research and exposition. Without regard for politics or prevailing fashion, we dedicate our work to a more prosperous, safer, and democratic nation and world.

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

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

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses \$ 733,915 including grants of \$) (Revenue \$ 59,828)

The American com is a dynamic online journal featuring fresh essays and commentary on public policy, including developments in economics, culture, science, scholarship and government policy

4b (Code) (Expenses \$ 6,560,531 including grants of \$) (Revenue \$)

AEI's Economic Policy Studies Program ALLOWS scholars TO examine areas of general economics, fiscal policy and taxes, monetary policy, energy and the environment, international trade, financial services, regulation, retirement and social security, and health policy. The program's scholarship is disseminated through publications, conferences, and working groups and serves to educate the public about the functioning of free economies, how to preserve them, how to solve the problems that arise in them, and how to capitalize on their strengths.

4c (Code) (Expenses \$ 5,209,926 including grants of \$) (Revenue \$)

The Institute's Foreign and Defense Policy Studies team seeks to understand how American interests and political and economic freedom can be protected and advanced around the world. The program's research areas include Africa, the Asia-Pacific, Europe and Russia, Latin America, the Middle East, South Asia, and U.S. national security and foreign policy. The program educates the public through publications, conferences, and working groups.

4d Other program services (Describe in Schedule O) **See also Additional Data for Description**
(Expenses \$ 6,616,623 including grants of \$) (Revenue \$ 628,896)

4e Total program service expenses \$ 19,120,995

Part IV Checklist of Required Schedules

Table with 3 main columns: Question number, Question text, and Yes/No response columns. Rows include questions 1 through 20 regarding organizational requirements and reporting.

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable		
	1a 209		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	1b 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return		
	2a 218		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	Yes	
b	If "Yes," enter the name of the foreign country ▶ NT, CJ, EI See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body (26); 1b Enter the number of voting members that are independent (25); 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? (No); 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? (No); 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? (No); 5 Did the organization become aware during the year of a material diversion of the organization's assets? (No); 6 Does the organization have members or stockholders? (No); 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? (No); 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? (No); 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: 8a The governing body? (Yes); 8b Each committee with authority to act on behalf of the governing body? (Yes); 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O (No).

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates? (No); 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?; 11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? (Yes); 11A Describe in Schedule O the process, if any, used by the organization to review the Form 990; 12a Does the organization have a written conflict of interest policy? If "No," go to line 13 (Yes); 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (Yes); 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done (Yes); 13 Does the organization have a written whistleblower policy? (Yes); 14 Does the organization have a written document retention and destruction policy? (Yes); 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? 15a The organization's CEO, Executive Director, or top management official (Yes); 15b Other officers or key employees of the organization (No); 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? (No); 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

Table with 2 columns: Question, Answer. Rows include: 17 List the States with which a copy of this Form 990 is required to be filed (DC, NJ, NY); 18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply: Own website, Another's website, Upon request (checked); 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table; 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization (erin covington, 1150 SEVENTEENTH STREET NW, WASHINGTON, DC 200364670, (202) 862-7167).

1b Total	3,227,301	0	1,180,003
-----------------	-----------	---	-----------

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **48**

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
OVERWATCH LLC 82266 PADOVA DRIVE INDIO, CA 92203	SECURITY SERVICES	483,087

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **1**

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns 1a					
	b	Membership dues 1b					
	c	Fundraising events 1c					
	d	Related organizations 1d					
	e	Government grants (contributions) 1e					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	47,301,847				
	g	Noncash contributions included in lines 1a-1f \$ _____					
	h	Total. Add lines 1a-1f ▶	47,301,847				
Program Service Revenue	2a	EDU SEM/CONFERENCE	900,099	502,298	502,298		
	b	RESEARCH PUB/MATERIALS	541,800	164,329	114,484	49,845	
	c	ROYALTIES SALE PUB	900,099	16,165		16,165	
	d	MAILING LIST RENTAL	900,099	5,932		5,932	
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f ▶	688,724				
Other Revenue	3	Investment income (including dividends, interest and other similar amounts) ▶	1,293,210			1,293,210	
	4	Income from investment of tax-exempt bond proceeds ▶					
	5	Royalties ▶					
	6a	Gross Rents	(i) Real				
			(ii) Personal				
			Less rental expenses				
			Rental income or (loss)				
	d	Net rental income or (loss) ▶					
	7a	Gross amount from sales of assets other than inventory	(i) Securities	34,262,943			
			(ii) Other				
			Less cost or other basis and sales expenses	31,022,469			
			Gain or (loss)	3,240,474			
d	Net gain or (loss) ▶	3,240,474		156	3,240,318		
8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 a						
b	Less direct expenses b						
c	Net income or (loss) from fundraising events ▶						
9a	Gross income from gaming activities See Part IV, line 19 a						
b	Less direct expenses b						
c	Net income or (loss) from gaming activities ▶						
10a	Gross sales of inventory, less returns and allowances a						
b	Less cost of goods sold b						
c	Net income or (loss) from sales of inventory ▶						
	Miscellaneous Revenue	Business Code					
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d ▶						
12	Total revenue. See Instructions ▶	52,524,255	616,782	50,001	4,555,625		

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	183,124	183,124		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	3,671,930	1,746,903	1,925,027	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	9,300,042	6,295,936	1,855,342	1,148,764
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	709,803	467,986	169,047	72,770
9	Other employee benefits	1,771,157	739,969	884,793	146,395
10	Payroll taxes	805,225	394,562	351,882	58,781
11	Fees for services (non-employees)				
a	Management				
b	Legal	34,057	275	33,782	
c	Accounting	68,444		68,444	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other	1,813,877	1,623,177	190,426	274
12	Advertising and promotion				
13	Office expenses	1,024,459	460,069	465,891	98,499
14	Information technology				
15	Royalties				
16	Occupancy	2,573,986	1,271,987	1,107,295	194,704
17	Travel	488,946	361,974	58,188	68,784
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	1,234,413	1,018,988	187,890	27,535
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	914,945	592,489	239,955	82,501
23	Insurance	67,588		67,588	
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	publications	457,646	454,741	-3,576	6,481
b	SCHOLAR FEES	303,077	294,891	8,186	0
c	building maintenance	210,069	8,750	201,319	0
d	SERVICE FEES	29,882	7,155	22,544	183
e	PROGRAM SUPPORT	0	3,198,019	-3,198,019	0
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	25,662,670	19,120,995	4,636,004	1,905,671
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	501	1	12,426
	2 Savings and temporary cash investments	7,787,192	2	16,723,141
	3 Pledges and grants receivable, net	43,699,625	3	47,360,654
	4 Accounts receivable, net	403,699	4	322,717
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	189,924	8	221,821
	9 Prepaid expenses and deferred charges	73,795	9	184,586
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	8,092,610		
	b Less accumulated depreciation	5,512,060		
		2,722,899	10c	2,580,550
	11 Investments—publicly traded securities	19,760,738	11	20,710,800
	12 Investments—other securities See Part IV, line 11	33,539,307	12	49,379,719
	13 Investments—program-related See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets See Part IV, line 11		15		
16 Total assets. Add lines 1 through 15 (must equal line 34)	108,177,680	16	137,496,414	
Liabilities	17 Accounts payable and accrued expenses	2,174,055	17	1,861,220
	18 Grants payable		18	
	19 Deferred revenue	285,789	19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities Complete Part X of Schedule D	1,349,402	25	983,715
	26 Total liabilities. Add lines 17 through 25	3,809,246	26	2,844,935
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	-1,723,216	27	3,926,017
	28 Temporarily restricted net assets	48,446,449	28	52,086,740
	29 Permanently restricted net assets	57,645,201	29	78,638,722
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	104,368,434	33	134,651,479	
34 Total liabilities and net assets/fund balances	108,177,680	34	137,496,414	

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . . .		No
2b	Were the organization's financial statements audited by an independent accountant?	Yes	
2c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . . .		

SCHEDULE A (Form 990 or 990EZ)

Public Charity Status and Public Support

2009

Open to Public Inspection

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

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

Department of the Treasury Internal Revenue Service

Name of the organization AMERICAN ENTERPRISE INSTITUTE FOR PUBLIC POLICY RESEARCH

Employer identification number

53-0218495

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

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

- 1 A church, convention of churches, or association of churches section 170(b)(1)(A)(i).
2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E)
3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II)
6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi) (Complete Part II)
8 A community trust described in section 170(b)(1)(A)(vi) (Complete Part II)
9 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part III)
10 An organization organized and operated exclusively to test for public safety See section 509(a)(4).
11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h
a Type I b Type II c Type III - Functionally integrated d Type III - Other
e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?
(ii) a family member of a person described in (i) above?
(iii) a 35% controlled entity of a person described in (i) or (ii) above?
h Provide the following information about the supported organization(s)

Table with 2 columns: Yes, No. Rows: 11g(i), 11g(ii), 11g(iii)

Table with 7 columns: (i) Name of supported organization, (ii) EIN, (iii) Type of organization, (iv) Is the organization in col (i) listed in your governing document?, (v) Did you notify the organization in col (i) of your support?, (vi) Is the organization in col (i) organized in the U S?, (vii) Amount of support?

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

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	31,870,055	20,643,029	34,063,743	58,988,984	47,301,847	192,867,658
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	31,870,055	20,643,029	34,063,743	58,988,984	47,301,847	192,867,658
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						24,460,654
6 Public Support. Subtract line 5 from line 4						168,407,004

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	31,870,055	304,606	34,063,743	58,988,984	47,301,847	192,867,658
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	390,790	304,606	753,621	861,930	1,315,307	3,626,254
9 Net income from unrelated business activities, whether or not the business is regularly carried on	316,313	389,514	731,757	154,529	50,001	1,642,114
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						198,136,026
12 Gross receipts from related activities, etc (See instructions)					12	4,513,792

13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** **Section C. Computation of Public Support Percentage**

14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f))	14	85 000 %
15 Public Support Percentage for 2008 Schedule A, Part II, line 14	15	84 110 %

16a 33 1/3% support test—2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization **b 33 1/3% support test—2008.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization **17a 10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization **b 10%-facts-and-circumstances test—2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization **18 Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions

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

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11 and 12)						

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

Section C. Computation of Public Support Percentage

15 Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	

19a 33 1/3% support tests—2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests—2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

Additional Data

Software ID:

Software Version:

EIN: 53-0218495

Name: AMERICAN ENTERPRISE INSTITUTE FOR
PUBLIC POLICY RESEARCH

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services

(Code) (Expenses \$ 6,616,623 including grants of \$) (Revenue \$ 628,896)

AEI's Social and Political Studies scholars strive to advance a culture in which virtue flourishes in tandem with freedom and material progress. Through publications, conferences, and working groups, the program's scholars examine such issues as demographics, education, poverty and welfare, religion, constitutional law, liability and tort reform, elections, and public opinion polls.

(Code) (Expenses \$ including grants of \$) (Revenue \$)

Launched in 2002, the National Research Initiative (NRI) advances AEI's mission by engaging outside academics and independent scholars on pressing domestic policy issues.

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
KEVIN ROLLINS Bd of trustees-chair	2 00	X	X				0	0	0	
TULLY FRIEDMAN bd OF TRUSTEES-treas	2 00	X	X				0	0	0	
GORDON BINDER BD OF TRUSTEES	1 00	X					0	0	0	
RICHARD CHENEY BD OF TRUSTEES	1 00	X					80,230	0	0	
HARLAN CROW BD OF TRUSTEES	1 00	X					0	0	0	
DAN D'ANIELLO BD OF TRUSTEES	1 00	X					0	0	0	
JOHN FARACI BD OF TRUSTEES	1 00	X					0	0	0	
CHRIS GALVIN BD OF TRUSTEES	1 00	X					0	0	0	
RAY GILMARTIN BD OF TRUSTEES	1 00	X					0	0	0	
HARVEY GOLUB BD OF TRUSTEES	1 00	X					0	0	0	
ROBERT GREENHILL BD OF TRUSTEES	1 00	X					0	0	0	
ROGER HERTO G BD OF TRUSTEES	1 00	X					0	0	0	
ALAN HOWARD BD OF TRUSTEES	1 00	X					0	0	0	
BRUCE KOVNER BD OF TRUSTEES	1 00	X					0	0	0	
MARC LIPSCHULTZ BD OF TRUSTEES	1 00	X					0	0	0	
JOHN LUKE BD OF TRUSTEES	1 00	X					0	0	0	
ROBERT PRITZKER BD OF TRUSTEES	1 00	X					0	0	0	
PETE RICKETTS BD OF TRUSTEES	1 00	X					0	0	0	
ED RUST BD OF TRUSTEES	1 00	X					0	0	0	
GIDEON SEARLE BD OF TRUSTEES	1 00	X					0	0	0	
MEL SEMBLER BD OF TRUSTEES	1 00	X					0	0	0	
WILSON TAYLOR BD OF TRUSTEES	1 00	X					0	0	0	
WILLIAM H WALTON BD OF TRUSTEES	1 00	X					0	0	0	
WILLIAM L WALTON BD OF TRUSTEES	1 00	X					0	0	0	
JIM WILSON BD OF TRUSTEES	1 00	X					0	0	0	

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
ARTHUR BROOKS PRESIDENT	55 00			X				500,000	0	70,012
JASON BERTSCH VICE PRESIDENT, MARKETIN	55 00			X				188,000	0	31,973
HENRY OLSEN VICE PRESIDENT, nri	50 00			X				184,000	0	32,092
DAVID GERSON EXECUTIVE VICE PRESIDENT	55 00			X				370,000	0	172,648
MARTHA NEWTON CHIEF FINANCIAL OFFICER	45 00			X				105,000	0	22,612
DANIELLE PLETKA VICE PRES, FOR & DEFENSE	50 00			X				190,000	0	32,812
ELIZABETH BOWEN BOARD SECRETARY	50 00			X				130,031	0	25,616
CHRISTOPHER DEMUTH SENIOR FELLOW	50 00				X			360,000	0	579,059
KEVIN HASSETT DIRECTOR	40 00				X			185,100	0	31,613
karlyn bowman SENIOR FELLOW	50 00				X			166,390	0	28,997
JOHN BOLTON SENIOR FELLOW	60 00					X		163,750	0	55,937
CHARLES MURRAY SCHOLAR	54 00					X		164,700	0	25,534
MICHAEL GREVE SCHOLAR	50 00					X		160,000	0	19,200
NICHOLAS EBERSTADT SCHOLAR	50 00					X		140,000	0	26,213
ANDREW BIGGS SCHOLAR	50 00					X		140,100	0	25,685

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
publications	457,646	454,741	-3,576	6,481
SCHOLAR FEES	303,077	294,891	8,186	0
building maintenance	210,069	8,750	201,319	0
SERVICE FEES	29,882	7,155	22,544	183
PROGRAM SUPPORT	0	3,198,019	-3,198,019	0

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2009

Open to Public Inspection

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization AMERICAN ENTERPRISE INSTITUTE FOR PUBLIC POLICY RESEARCH

Employer identification number 53-0218495

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4: Total number at end of year, Aggregate contributions to (during year), Aggregate grants from (during year), Aggregate value at end of year.

- 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply): Preservation of land for public use, Protection of natural habitat, Preservation of open space, Preservation of an historically important land area, Preservation of a certified historic structure.

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

- a Total number of conservation easements
b Total acreage restricted by conservation easements
c Number of conservation easements on a certified historic structure included in (a)
d Number of conservation easements included in (c) acquired after 8/17/06

Table with 2 columns: Held at the End of the Year. Rows 2a, 2b, 2c, 2d.

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

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

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

(i) Revenues included in Form 990, Part VIII, line 1 \$

(ii) Assets included in Form 990, Part X \$

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

a Revenues included in Form 990, Part VIII, line 1 \$

b Assets included in Form 990, Part X \$

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

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

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

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

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

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

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

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

	Amount
1c Beginning balance	
1d Additions during the year	
1e Distributions during the year	
1f Ending balance	

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

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

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance	57,621,121	20,243,499			
b Contributions	20,993,521	41,012,282			
c Investment earnings or losses	3,294,043	-3,146,473			
d Grants or scholarships					
e Other expenditures for facilities and programs	640,997	488,187			
f Administrative expenses					
g End of year balance	81,267,688	57,621,121			

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

- a** Board designated or quasi-endowment %
- b** Permanent endowment 97 000 %
- c** Term endowment 3 000 %

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

	Yes	No
(i) unrelated organizations	3a(i)	No
(ii) related organizations	3a(ii)	No
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

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

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

Description of investment	(a) Cost or other basis (Investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		1,879,045	1,405,176	473,869
d Equipment		6,213,565	4,106,884	2,106,681
e Other				0
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				2,580,550

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	52,524,255
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	25,662,670
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	26,861,585
4	Net unrealized gains (losses) on investments	4	3,421,460
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	3,421,460
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	30,283,045

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

1	Total revenue, gains, and other support per audited financial statements	1	56,236,848
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	3,421,460
b	Donated services and use of facilities	2b	291,133
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	3,712,593
3	Subtract line 2e from line 1	3	52,524,255
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0
5	Total Revenue Add lines 3 and 4c . (This should equal Form 990, Part I, line 12)	5	52,524,255

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

1	Total expenses and losses per audited financial statements	1	25,953,803
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	291,133
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	291,133
3	Subtract line 2e from line 1	3	25,662,670
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses Add lines 3 and 4c . (This should equal Form 990, Part I, line 18)	5	25,662,670

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
Part V, Line 4	Description of Intended Use of Endowment Funds	to provide long-term financial support for the institute's general operations or for particular research areas, they often take the form of named chairs for scholars working in particular fields

Schedule I (Form 990)

OMB No 1545-0047

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

2009

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Name of the organization AMERICAN ENTERPRISE INSTITUTE FOR PUBLIC POLICY RESEARCH

Employer identification number 53-0218495

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance...
2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000.

Table with 8 columns: (a) Name and address of organization or government, (b) EIN, (c) IRC Code section if applicable, (d) Amount of cash grant, (e) Amount of non-cash assistance, (f) Method of valuation, (g) Description of non-cash assistance, (h) Purpose of grant or assistance. Row 1: UNIVERSITY SYSTEM OF MARYLAND FOUNDATION, 521125663, 501(c)(3), 183,124, TO TRANSFER REMAINING BALANCE OF PROJECT FUNDS TO UNIV SYSTEM OF MD FOUNDATION

2 Enter total number of section 501(c)(3) and government organizations 1
3 Enter total number of other organizations 0

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization
AMERICAN ENTERPRISE INSTITUTE FOR
PUBLIC POLICY RESEARCH

Employer identification number

53-0218495

Part I Questions Regarding Compensation

	Yes	No								
<p>1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</p> <table border="0"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input checked="" type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax idemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax idemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use									
<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence									
<input type="checkbox"/> Tax idemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)									
<p>b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain.</p>	Yes									
<p>2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?</p>	Yes									
<p>3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Compensation committee</td> <td><input type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input checked="" type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract	<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study	<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee				
<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract									
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study									
<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee									
<p>4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:</p> <p>a Receive a severance payment or change-of-control payment?</p>		No								
<p>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p>	Yes									
<p>c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</p>		No								
<p>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</p>										
<p>5 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:</p> <p>a The organization?</p>		No								
<p>b Any related organization? If "Yes," to line 5a or 5b, describe in Part III.</p>		No								
<p>6 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:</p> <p>a The organization?</p>		No								
<p>b Any related organization? If "Yes," to line 6a or 6b, describe in Part III.</p>		No								
<p>7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.</p>		No								
<p>8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III.</p>		No								
<p>9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</p>										

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
ARTHUR BROOKS	(i)	500,000	0	0	60,000	10,012	570,012	0
	(ii)	0	0	0	0	0	0	0
JASON BERTSCH	(i)	188,000	0	0	22,560	9,413	219,973	0
	(ii)	0	0	0	0	0	0	0
HENRY OLSEN	(i)	184,000	0	0	22,080	10,012	216,092	0
	(ii)	0	0	0	0	0	0	0
DAVID GERSON	(i)	370,000	0	0	163,235	9,413	542,648	0
	(ii)	0	0	0	0	0	0	0
DANIELLE PLETKA	(i)	190,000	0	0	22,800	10,012	222,812	0
	(ii)	0	0	0	0	0	0	0
ELIZABETH BOWEN	(i)	130,031	0	0	15,604	10,012	155,647	0
	(ii)	0	0	0	0	0	0	0
CHRISTOPHER DEMUTH	(i)	360,000	0	0	572,172	6,887	939,059	0
	(ii)	0	0	0	0	0	0	0
KEVIN HASSETT	(i)	185,100	0	0	22,200	9,413	216,713	0
	(ii)	0	0	0	0	0	0	0
karlyn bowman	(i)	166,390	0	0	19,200	9,797	195,387	0
	(ii)	0	0	0	0	0	0	0
JOHN BOLTON	(i)	163,750	0	0	49,050	6,887	219,687	0
	(ii)	0	0	0	0	0	0	0
CHARLES MURRAY	(i)	164,700	0	0	19,164	6,370	190,234	0
	(ii)	0	0	0	0	0	0	0
MICHAEL GREVE	(i)	160,000	0	0	19,200	0	179,200	0
	(ii)	0	0	0	0	0	0	0
NICHOLAS EBERSTADT	(i)	140,000	0	0	16,800	9,413	166,213	0
	(ii)	0	0	0	0	0	0	0
ANDREW BIGGS	(i)	140,100	0	0	16,800	8,885	165,785	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	travel for companions - board members and staff are permitted to bring spouses to the annual off-site meetings, world forum and the board retreat
	Part I, Line 4a	A CHANGE WAS MADE TO THE SUPPLEMENTAL NON-QUALIFIED RETIREMENT PLAN FOR TOP EXECUTIVES. THE INSTITUTE ACCRUED BEGINNING CATCH-UP PAYMENTS AS FOLLOWS - CHRISTOPHER DEMUTH, \$528,972 - DAVID GERSON, \$118,835 - ARTHUR BROOKS, \$14,100. THESE AMOUNTS ARE REFLECTED IN SCHEDULE J, PART II, COLUMN C.

SCHEDULE M (Form 990)

NonCash Contributions

OMB No 1545-0047

2009

Open to Public Inspection

Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30. Attach to Form 990.

Department of the Treasury Internal Revenue Service

Name of the organization AMERICAN ENTERPRISE INSTITUTE FOR PUBLIC POLICY RESEARCH

Employer identification number 53-0218495

Part I Types of Property

Table with 4 columns: (a) Check if applicable, (b) Number of Contributions, (c) Revenues reported on Form 990, Part VIII, line 1g, (d) Method of determining revenues. Rows include Art, Books, Cars, Boats, Intellectual property, Securities, Real estate, etc.

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

29

Table with 3 columns: Question (30a, 31, 32a, 33), Yes, No. Contains questions about property holding periods, gift acceptance policies, and non-cash contributions.

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
------------	------------------	-------------

Schedule M (Form 990) 2009

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ **Attach to Form 990.**

Name of the organization
AMERICAN ENTERPRISE INSTITUTE FOR
PUBLIC POLICY RESEARCH

Employer identification number
53-0218495

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 11		the audit committee of the board of directors review s the 990 and 990t prior to submission to the irs
Form 990, Part VI, Section B, line 12c		AEI regularly and consistently monitors and enforces compliance w ith the Institute's conflict of interest policy, w hich is posted on AEI's w ebsite, w w w aei.org/about AEI scholars, fellow s, and officers are required to provide annual reports each March to AEI's president listing all of their outside activities The president then provides a summary report to the Nominating and Governance Committee of AEI's Board of Trustees The president may bring particular issues to the attention of this committee or to an internal committee of senior scholars and fellow s for their review and counsel The Nominating and Governance Committee also review s the commercial, professional, and civic engagements of individuals being considered for election to the Board of Trustees AEI scholars and fellow s are also required to disclose in their published w ork any affiliations they may have w ith organizations w ith a direct interest in the subject of that w ork When making hiring decisions to AEI's staff or w hen nominating new members to AEI's Board, AEI's executive team and Board of Trustees stress to candidates the importance of honesty and integrity in their w ork New employees are given a copy of AEI's conflict of interest policy
Form 990, Part VI, Section B, line 15a		AEI follow s the follow ing process for determning compensation, as stated in the Institute's bylaw s The compensation of the Institute's President and second senior officer shall be recommended by the Executive Committee and review ed and revised at intervals the Committee deems appropriate The level of and any adjustments to the President and second senior officer's compensation shall be guided by the follow ing factors (a) the intrinsic quality of their management, intellectual leadership, and public representation of the Institute, (b) the intrinsic quality and public reputation of the Institute's research, publications, and other outputs and the quantity and effective dissemination of that output, (c) the Institute's financial performance and stability, (d) the compensation of other chief executives w ith similar experience, (e) the compensation of chief executives of other, similar organizations, (f) competitive considerations relevant to the retention of the President and second senior officer and their long-term commitment to the Institute, (g) the President and second senior officer's salary history, and (h) additional, similar factors the Executive Committee deems appropriate The Executive Committee shall maintain records of its review s of the President and second senior officer's compensation and the reasons for any adjustments it may recommend to that compensation, and shall inform the Board of Trustees at least every tw o years of its evaluation of the President and second senior officer's performance and any revisions it has made to the their compensation for approval by the full Board of Trustees Section 2 The compensation of the Institute's officers and managers, scholars and fellow s, research and administrative staff, and all other employees shall be determined by the President and review ed and revised at intervals the President deems appropriate The level of and any adjustments to the compensation of the Institute's employees shall be guided by factors similar to those used by the Executive Committee in determning the President's compensation, as applied to the particular responsibilities of each employee The President shall maintain records of review s of and any adjustments to the compensation of the Institute's employees and shall provide to the Executive Committee, at least every tw o years, a report on the Institute's compensation policies and structure
Form 990, Part VI, Section C, line 19		AEI's Organization and Purposes and statements on research integrity, public advocacy, political campaigns and other partisan activities, outside activities, and conflicts of interests are posted and updated regularly on the Institute's w ebsite AEI's annual report, audited financials, and 990 are available to the public
	board member relationship	AEI follow s a prudent, diversified investment strategy that seeks to achieve a reasonable rate of return w hile managing associated risk The portfolio is managed by the Investment Committee of the Board of Directors One of the investments held is a position in Caxton Select LLC In the interest of disclosure, Mr Bruce Kovner is Chairman of Caxton Associates LP w hich is the manager of Caxton Select LLC Mr Kovner is also an investor in Caxton Select LLC Mr Kovner w as Chairman of the AEI Board of Directors during 2008 Mr Kovner has abstained from all decisions concerning investments in Caxton Select LLC and is not on the AEI Investment Committee
FORM 990, PART XI, LINE 2B		AT THE TIME THE 990 WAS APPROVED BY THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS, THE AUDIT OF THE FINANCIAL STATEMENTS BY AN INDEPENDENT ACCOUNTANT WAS NEAR COMPLETION BUT WAS NOT FULLY COMPLETE