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

OMB No 1545-0052

2006Department of the Treasury
Internal Revenue Service**Note:** The foundation may be able to use a copy of this return to satisfy state reporting requirements**For calendar year 2006, or tax year beginning****, 2006, and ending****G** Check all that apply: ☐ Initial return ☐ Final return ☒ Amended return ☐ Address change ☐ Name changeUse the
IRS label.
Otherwise,
print
or type
See Specific
Instructions.**LEO M SHORTINO FAMILY FOUNDATION**
15030 MONTEBELLO ROAD
CUPERTINO, CA 95014**A** Employer identification number

68-0237238

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

\$ 1,680,626.

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _____

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

Part I Analysis of Revenue and Expenses

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

(a) Revenue and expenses per books**(b)** Net investment income**(c)** Adjusted net income**(d)** Disbursements for charitable purposes (cash basis only)**1** Contributions, gifts, grants, etc., received (att sch)**2** Ck ☒ if the foundn is not req to att Sch B**3** Interest on savings and temporary cash investments

62,165.

62,165.

4 Dividends and interest from securities

938.

938.

5a Gross rents

-130,155.

-130,155.

b Net rental income or (loss) -175,812.**6a** Net gain/(loss) from sale of assets not on line 10

11,650,000.

b Gross sales price for all assets on line 6a 11,650,000**7** Capital gain net income (from Part IV, line 2).

11,650,000.

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/(loss) (att sch)**11** Other income (attach schedule)**12 Total.** Add lines 1 through 11

11,582,948.

11,582,948.

0.

13 Compensation of officers, directors, trustees, etc

12,800.

5,120.

5,120.

14 Other employee salaries and wages**15** Pension plans, employee benefits**16a** Legal fees (attach schedule) SEE ST 1

60,753.

50,027.

10,726.

b Accounting fees (attach sch) SEE ST 2

3,420.

1,368.

1,368.

c Other prof fees (attach sch) SEE ST 3

45.

18.

18.

17 Interest**18** Taxes (attach schedule) SEE STMT 4

1,323.

19 Depreciation (attach schedule) and depletion

12,687.

12,687.

20 Occupancy**21** Travel, conferences, and meetings**22** Printing and publications**23** Other expenses (attach schedule)

SEE STATEMENT 5

11,485,998.

11,484,978.

680.

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

11,577,026.

11,554,198.

17,912.

25 Contributions, gifts, grants paid PART XV

73,250.

73,250.

26 Total expenses and disbursements. Add lines 24 and 25

11,650,276.

11,554,198.

0.

91,162.

27 Subtract line 26 from line 12:**a** Excess of revenue over expenses and disbursements

-67,328.

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

28,750.

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

0.

G 1415 10

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing	53,570.	3,223.	3,223.
	2 Savings and temporary cash investments	466,472.	469,310.	469,310.
	3 Accounts receivable 6,731.			
	Less: allowance for doubtful accounts 1,362.	15,501.	6,731.	6,731.
	4 Pledges receivable 1,362.			
	Less: allowance for doubtful accounts	11,794.	1,362.	1,362.
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach sch) Less: allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments – U.S. and state government obligations (attach schedule)	500,000.	500,000.	500,000.
	b Investments – corporate stock (attach schedule)			
	c Investments – corporate bonds (attach schedule)			
	11 Investments – land, buildings, and equipment basis Less: accumulated depreciation (attach schedule)			
	12 Investments – mortgage loans			
13 Investments – other (attach schedule)				
14 Land, buildings, and equipment: basis 708,256.				
Less: accumulated depreciation (attach schedule) SEE STMT 6 26,604.	694,339.	681,652.	700,000.	
15 Other assets (describe _____)				
16 Total assets (to be completed by all filers – see instructions. Also, see page 1, item I)	1,741,676.	1,662,278.	1,680,626.	
LIABILITIES	17 Accounts payable and accrued expenses	1,930.		
	18 Grants payable			
	19 Deferred revenue	10,140.		
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe _____)			
	23 Total liabilities (add lines 17 through 22)	12,070.	0.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	1,729,606.	1,662,278.	
	30 Total net assets or fund balances (see instructions)	1,729,606.	1,662,278.	
	31 Total liabilities and net assets/fund balances (see instructions)	1,741,676.	1,662,278.	

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	1,729,606.
2 Enter amount from Part I, line 27a	2	-67,328.
3 Other increases not included in line 2 (itemize) _____	3	
4 Add lines 1, 2, and 3	4	1,662,278.
5 Decreases not included in line 2 (itemize) _____	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,662,278.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a SHORTINO ADMIN TRUST		P	VARIOUS	VARIOUS
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 11,650,000.			11,650,000.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			11,650,000.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss).	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	11,650,000.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)			
If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	0.

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

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

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

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

☐ Yes☒ No

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

1 Enter the appropriate amount in each column for each year, see instructions before making any entries			
(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2005	110,764.	1,694,480.	0.065368
2004	70,464.	1,382,586.	0.050965
2003	83,407.	973,404.	0.085686
2002	53,890.	866,250.	0.062211
2001	45,500.	543,717.	0.083683

2 Total of line 1, column (d)	2	0.347913
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.069583
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5	4	1,702,026.
5 Multiply line 4 by line 3	5	118,432.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	288.
7 Add lines 5 and 6	7	118,720.
8 Enter qualifying distributions from Part XII, line 4	8	91,162.

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)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling letter. _____ (attach copy of ruling letter if necessary – see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	575.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	575.
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	575.
6 Credits/Payments:			
a 2006 estimated tax pmts and 2005 overpayment credited to 2006	6a	560.	
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. PAID W/ O.R. 44	7	560.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	2.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	17.	
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 2007 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>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.</i>		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 <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		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? <i>If 'Yes,' complete Part II, column (c), and Part XV.</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> CA		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If 'No,' attach explanation</i>	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 2006 or the taxable year beginning in 2006 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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Part VII-A Statements Regarding Activities Continued

11a 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)	11a	X
b If 'Yes', did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, an annuities described in the attachment for line 11a?	11b	N/A
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract?	12	X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A	13	X
14 The books are in care of FRANK L BOITANO Telephone no 408-287-2123 Located at 1760 THE ALAMEDA, SAN JOSE CA ZIP + 4 95126		
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	N/A

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	N/A
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2006?	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 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years 20__ , 20__ , 20__ , 20__		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions)	2b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. 20__ , 20__ , 20__ , 20__		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If 'Yes,' did it have excess business holdings in 2006 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 2006)	3b	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2006?	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)? (see instructions)☐ Yes ☒ No**(5)** Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b N/A

Organizations relying on a current notice regarding disaster assistance check here.

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

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

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

6b X

If you answered 'Yes' to 6b, also file Form 8870

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

7b N/A

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

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 7		12,800.	0.	0.

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

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

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

0

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

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

Total number of others receiving over \$50,000 for professional services **0****Part IX-A Summary of Direct Charitable Activities**

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

	Expenses
1 N/A	
2	
3	
4	

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

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

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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	500,000.
b Average of monthly cash balances	1b	527,945.
c Fair market value of all other assets (see instructions)	1c	700,000.
d Total (add lines 1a, b, and c)	1d	1,727,945.
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	1,727,945.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	25,919.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,702,026.
6 Minimum investment return. Enter 5% of line 5	6	85,101.

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	85,101.
2a Tax on investment income for 2006 from Part VI, line 5	2a	575.	
b Income tax for 2006 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	575.
3 Distributable amount before adjustments Subtract line 2c from line 1		3	84,526.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	84,526.
6 Deduction from distributable amount (see instructions)		6	
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	84,526.

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	91,162.
b Program-related investments — total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	91,162.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	91,162.

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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Form 990-PF (2006)

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
1 Distributable amount for 2006 from Part XI, line 7				84,526.
2 Undistributed income, if any, as of the end of 2005.				
a Enter amount for 2005 only			0.	
b Total for prior years: 20____, 20____, 20____		0.		
3 Excess distributions carryover, if any, to 2006.				
a From 2001				
b From 2002				
c From 2003	25,866.			
d From 2004	1,836.			
e From 2005	110,764.			
f Total of lines 3a through e	138,466.			
4 Qualifying distributions for 2006 from Part XII, line 4. ► \$ 91,162.				
a Applied to 2005, 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)	91,162.			
d Applied to 2006 distributable amount				0.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2006 (If an amount appears in column (d), the same amount must be shown in column (a))	84,526.			84,526.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	145,102.			
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 2005. Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
f Undistributed income for 2006. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2007				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2001 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	145,102.			
10 Analysis of line 9				
a Excess from 2002				
b Excess from 2003				
c Excess from 2004				
d Excess from 2005 ..	53,940.			
e Excess from 2006 ..	91,162.			

BAA

Form 990-PF (2006)

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
<i>a Paid during the year</i> SEE STATEMENT 9				
Total			▶ 3a	73,250.
<i>b Approved for future payment</i>				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount		
1 Program service revenue						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments			14	62,165.		
4 Dividends and interest from securities			14	938.		
5 Net rental income or (loss) from real estate						
a Debt-financed property						
b Not debt-financed property			1	-175,812.		
6 Net rental income or (loss) from personal property						
7 Other investment income						
8 Gain or (loss) from sales of assets other than inventory			18	11,650,000.		
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)				11,537,291.		
13 Total. Add line 12, columns (b), (d), and (e)					13	11,537,291.

(See worksheet in the instructions for line 13 to verify calculations)

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

[illegible]

2006

FEDERAL STATEMENTS

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LEO M SHORTINO FAMILY FOUNDATION

68-0237238

STATEMENT 1
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CHARLES SABES	\$ 25,000.	\$ 25,000.		
RUBY & SCHOFIELD	35,753.	25,027.		\$ 10,726.
TOTAL	<u>\$ 60,753.</u>	<u>\$ 50,027.</u>	<u>\$ 0.</u>	<u>\$ 10,726.</u>

STATEMENT 2
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BOITANO SARGENT & LILLY	\$ 3,420.	\$ 1,368.		\$ 1,368.
TOTAL	<u>\$ 3,420.</u>	<u>\$ 1,368.</u>	<u>\$ 0.</u>	<u>\$ 1,368.</u>

STATEMENT 3
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CA FILING FEES	\$ 25.	\$ 10.		\$ 10.
SECRETARY OF STATE	20.	8.		8.
TOTAL	<u>\$ 45.</u>	<u>\$ 18.</u>	<u>\$ 0.</u>	<u>\$ 18.</u>

STATEMENT 4
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FRANCHISE TAX BOARD	\$ 10.			
U S TREASURY	1,313.			
TOTAL	<u>\$ 1,323.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

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LEO M SHORTINO FAMILY FOUNDATION

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STATEMENT 5
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ASSOCIATION DUES	\$ 450.	\$ 180.		\$ 180.
E & O INSURANCE	1,250.	500.		500.
ESTATE DISTR NOT REC'D UNTIL 2007	1.	1.		
MUTIPLE AMENDED K-1'S REC'D.	11451327.	11451327.		
RENTAL EXPENSES	32,970.	32,970.		
TOTAL	\$ 11485998.	\$ 11484978.	\$ 0.	\$ 680.

STATEMENT 6
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
BUILDINGS	\$ 494,811.	\$ 26,604.	\$ 468,207.	\$ 700,000.
LAND	213,445.		213,445.	0.
TOTAL	\$ 708,256.	\$ 26,604.	\$ 681,652.	\$ 700,000.

STATEMENT 7
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
MARTIN H BACCAGLIO 15030 MONTEBELLO ROAD CUPERTINO, CA 95014	DIRECTOR/PRES 1	\$ 3,200.	\$ 0.	\$ 0.
CHARLES SABES 160 W. SANTA CLARA ST. SAN JOSE, CA 95113	DIRECTOR 1	3,200.	0.	0.
FATHER GERALD WADE 850 ELM ST SAN JOSE, CA 95126	DIRECTOR 1	3,200.	0.	0.
LOUIS F. BOITANO, CPA 1760 THE ALAMEDA SAN JOSE, CA 95126	DIRECTOR 1	3,200.	0.	0.
TOTAL		\$ 12,800.	\$ 0.	\$ 0.

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LEO M SHORTINO FAMILY FOUNDATION

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STATEMENT 8
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:
 NAME: MARTIN BACCAGLIO
 CARE OF:
 STREET ADDRESS: 15030 MONTEBELLO ROAD
 CITY, STATE, ZIP CODE: CUPERTINO, CA 95014
 TELEPHONE:
 FORM AND CONTENT: WRITTEN REQUEST SHOWING THE OBJECTIVE OF THE GRANT REQUEST.
 SUBMISSION DEADLINES: NONE- CONTINUING REVIEW BI-MONTHLY BY BOARD OF DIRECTORS
 RESTRICTIONS ON AWARDS: DISTRIBUTION OR AWARD MUST QUALIFY UNDER THE PURPOSES SET FORTH IN SECTIONS 501(C) (3) AND 170 OF THE IRC OF 1986, AS AMENDED

STATEMENT 9
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
VALLE MONTE LEAGUE P.O. BOX 5874 SAN JOSE, CA 95151		501C3	PARTICIPATION IN A SANTA CLARA COUNTY FUND THAT PROVIDES SUPPORT TO LOCAL CHARITABLE ORGANIZATIONS	\$ 1,000.
KIWANIS CLUB OF SAN JOSE FND P.O. BOX 59732 SAN JOSE, CA 95159		501C3	SCHOLARSHIP GRANTS OF \$1,000 EACH FOR LOW INCOME STUDENTS FROM FIVE PUBLIC HIGH SCHOOLS IN THE LOW INCOME AREAS OF EAST AND SOUTH SAN JOSE CA TO PROVIDE FUNDS FOR POST HIGH SCHOOL EDUCATION	60,000.
HILLMAN MEMORIAL SCHOLARSHIP 40645 FREMONT BLVD # 3 FREMONT, CA 94538		501C3	PART OF AN ANNUAL AWARD GRANTED TO HILLMAN MEMORIAL FOR NEEDY COLLEGE STUDENTS	500.

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STATEMENT 9 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

<u>NAME AND ADDRESS</u>	<u>DONEE RELATIONSHIP</u>	<u>FOUND- ATION STATUS</u>	<u>PURPOSE OF GRANT</u>	<u>AMOUNT</u>
BELLARMINE COLLEGE PREPARATOR 960 W. HEDDING ST SAN JOSE, CA 95126		501C3	SCHOLARSHIP FOR HIGH SCHOOL STUDENTS FROM LOW INCOME FAMILIES	\$ 11,750.

TOTAL \$ 73,250.

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GENERAL ELECTIONS

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LEO M SHORTINO FAMILY FOUNDATION

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SECTION 49(H)(2) ELECTION AS TO THE TREATMENT OF QUALIFYING DISTRIBUTIONS

PURSUANT TO IRC SECTION 4942(H) (2) AND REGULATION 53.4942(A)-3(D) (2), THE FOUNDATION HEREBY ELECTS TO TREAT CURRENT YEAR QUALIFYING DISTRIBUTIONS IN EXCESS OF THE IMMEDIATELY PRECEDING TAX YEAR'S UNDISTRIBUTED INCOME AS BEING MADE OUT OF CORPUS.

SIGNED:



MARTIN BACCAGLIO
PRESIDENT

12/31/06

2006 FEDERAL BOOK DEPRECIATION SCHEDULE

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LEO M SHORTINO FAMILY FOUNDATION

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	PRIOR SALVAGE /BASIS REDUCT.	DEPR. BASIS	PRIOR DEPR.	S/L	MM	39	.02564	LIFE	RATE	CURRENT DEPR.
RENTAL ACTIVITY - FREMONT CENTER																			
BUILDINGS																			
2	6% BUILDING	7/23/04		494,811							494,811	13,917							12,687
	TOTAL BUILDINGS			494,811		0	0	0	0	0	494,811	13,917							12,687
LAND																			
1	6% LAND FREMONT	7/23/04		213,445							213,445								0
	TOTAL LAND			213,445		0	0	0	0	0	213,445	0							0
	TOTAL DEPRECIATION			708,256		0	0	0	0	0	708,256	13,917							12,687
	GRAND TOTAL DEPRECIATION			708,256		0	0	0	0	0	708,256	13,917							12,687