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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545-0052

2010

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

For calendar year 2010, or tax year beginning , 2010, and ending , 20

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name changeName of foundation: ELAINE F STEPANEK FOUNDATION 080010329900
A Employer identification number: 20-5632706Number and street (or P.O. box number if mail is not delivered to street address): P O BOX 64713; TRUST TAX SERVICES
Room/suite:
B Telephone number (see page 10 of the instructions): (612) 303-3258

City or town, state, and ZIP code: ST. PAUL, MN 55164-0713

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationI Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 4,542,817.
J Accounting method: ☒ Cash ☐ Accrual
Other (specify) _____
(Part I, column (d) must be on cash basis.)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 ☐**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)

	(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 (attach schedule)				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	2.	2.		STMT 1
4 Dividends and interest from securities	124,103.	124,103.		STMT 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	1,680,302.			
b Gross sales price for all assets on line 6a	2,021,224.			
7 Capital gain net income (from Part IV, line 2)		1,680,302.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	1,804,407.	1,804,407.		
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages		NONE	NONE	
15 Pension plans, employee benefits		NONE	NONE	
16a Legal fees (attach schedule) STMT 4	3,645.	1,823.	NONE	1,822.
b Accounting fees (attach schedule)				
c Other professional fees (attach schedule) STMT 5	46,792.	37,134.		9,658.
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions) STMT 6	5,637.	94.		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings		NONE	NONE	
22 Printing and publications		NONE	NONE	
23 Other expenses (attach schedule) STMT 7	25.			25.
24 Total operating and administrative expenses. Add lines 13 through 23	56,099.	39,051.	NONE	11,505.
25 Contributions, gifts, grants paid	70,000.			70,000.
26 Total expenses and disbursements. Add lines 24 and 25	126,099.	39,051.	NONE	81,505.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	1,678,308.			
b Net investment income (if negative, enter -0-)		1,765,356.		
c Adjusted net income (if negative, enter -0-)				

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

JSA

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	37,467.	65,247.	65,247.
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less allowance for doubtful accounts ▶ NONE			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U.S. and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule) . STMT 8	761,322.	999,278.	2,471,434.
	c	Investments - corporate bonds (attach schedule) . STMT 10	525,442.	686,322.	743,130.
	11	Investments - land, buildings, and equipment basis			
Liabilities		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule) STMT 11		1,251,725.	1,261,470.
	14	Land, buildings, and equipment basis			
		Less accumulated depreciation ▶			
	15	Other assets (describe ▶ STMT 12)	1,570.	1,536.	1,536.
	16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	1,325,801.	3,004,108.	4,542,817.
	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
Net Assets or Fund Balances	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)			
		Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/> X			
	27	Capital stock, trust principal, or current funds	598,159.	598,159.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	727,642.	2,405,949.	
	30	Total net assets or fund balances (see page 17 of the instructions)	1,325,801.	3,004,108.	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	1,325,801.	3,004,108.	

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	1,325,801.
2	Enter amount from Part I, line 27a	2	1,678,308.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	3,004,109.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 13	5	1.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3,004,108.

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE PART IV DETAIL					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2	1,680,302.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8.			3		

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	664,138.	4,044,213.	0.16421934255
2008	155,306.	4,636,572.	0.03349586721
2007	519,081.	5,305,592.	0.09783658449
2006	NONE	79,788.	NONE
2005			
2 Total of line 1, column (d)			0.29555179425
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			0.07388794856
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4,210,597.
5 Multiply line 4 by line 3			311,112.
6 Enter 1% of net investment income (1% of Part I, line 27b)			17,654.
7 Add lines 5 and 6			328,766.
8 Enter qualifying distributions from Part XII, line 4			81,505.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1		1	35,307.
Date of ruling or determination 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			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2		3	35,307.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	NONE
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	35,307.
6 Credits/Payments			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	4,988.	
b Exempt foreign organizations-tax withheld at source	6b	NONE	
c Tax paid with application for extension of time to file (Form 8868)	6c	NONE	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	4,988.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	30,319.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be. Credited to 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation. ► \$ _____ (2) On foundation managers. ► \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?		X
If "Yes," attach a detailed description of the activities.		
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?		X
If "Yes," attach the statement required by General Instruction T.		
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► STMT 14		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ▶ <u>N/A</u>				
14	The books are in care of ▶ <u>SEE STATEMENT 15</u> Telephone no. ▶ _____			
Located at ▶ _____ ZIP + 4 ▶ _____				
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ <input type="checkbox"/>			
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15				
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No X
See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶ _____				

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 page 22 of the instructions)? <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 22 of the instructions.)	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.)	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

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

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

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

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** ☐ ☒

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** ☐

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 16		-0-	-0-	-0-

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

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

Total number of other employees paid over \$50,000 ☐ **NONE**

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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 page 23 of the instructions). If none, enter "NONE."

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

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 NONE	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Amount

1 NONE	
2	
All other program-related investments. See page 24 of the instructions.	
3 NONE	
Total. Add lines 1 through 3	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	4,190,445.
b	Average of monthly cash balances	1b	84,273.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	4,274,718.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	4,274,718.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	64,121.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,210,597.
6	Minimum investment return. Enter 5% of line 5	6	210,530.

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

1	Minimum investment return from Part X, line 6	1	210,530.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	35,307.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	35,307.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	175,223.
4	Recoveries of amounts treated as qualifying distributions	4	NONE
5	Add lines 3 and 4	5	175,223.
6	Deduction from distributable amount (see page 25 of the instructions)	6	NONE
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	175,223.

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	81,505.
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	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	81,505.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	N/A
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	81,505.

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

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

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				175,223.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			NONE	
b Total for prior years 20 <u>08</u> , 20 <u> </u> , 20 <u> </u>		NONE		
3 Excess distributions carryover, if any, to 2010				
a From 2005	NONE			
b From 2006	NONE			
c From 2007	204,618.			
d From 2008	NONE			
e From 2009	471,901.			
f Total of lines 3a through e	676,519.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ <u>81,505.</u>				
a Applied to 2009, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)		NONE		
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)	NONE			
d Applied to 2010 distributable amount				81,505.
e Remaining amount distributed out of corpus	NONE			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	93,718.			93,718.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	582,801.			
b Prior years' undistributed income. Subtract line 4b from line 2b		NONE		
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		NONE		
d Subtract line 6c from line 6b. Taxable amount - see page 27 of the instructions		NONE		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see page 27 of the instructions			NONE	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)	NONE			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	NONE			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	582,801.			
10 Analysis of line 9				
a Excess from 2006	NONE			
b Excess from 2007	110,900.			
c Excess from 2008	NONE			
d Excess from 2009	471,901.			
e Excess from 2010				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) **NOT APPLICABLE**

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

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or 4942(j)(5)

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

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

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 28 of the instructions.)**1 Information Regarding Foundation Managers:**

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

N/A

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

N/A

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

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

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

SEE STATEMENT 17

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

SEE ATTACHED STATEMENT FOR LINE 2

c Any submission deadlines:

SEE ATTACHED STATEMENT FOR LINE 2

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

SEE ATTACHED STATEMENT FOR LINE 2

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE STATEMENT 18				
Total			▶ 3a	70,000.
b Approved for future payment				
Total			▶ 3b	

Form **990-PF** (2010)

Enter gross amounts unless otherwise indicated.

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

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

NOT APPLICABLE

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
47,789.00		1000. ABBOTT LABORATORIES PROPERTY TYPE: SECURITIES 2,700.00					11/11/1911 45,089.00	12/22/2010
50,339.00		2000. ALTRIA GROUP INC PROPERTY TYPE: SECURITIES 1,373.00					11/11/1911 48,966.00	12/22/2010
76,215.00		400. BLACKROCK INC PROPERTY TYPE: SECURITIES 75,964.00					04/29/2010 251.00	12/22/2010
69,394.00		1200. EMERSON ELEC CO PROPERTY TYPE: SECURITIES 8,040.00					11/11/1911 61,354.00	12/22/2010
51.00		.88 EXXON MOBIL CORP PROPERTY TYPE: SECURITIES 50.00					06/17/2009 1.00	06/30/2010
30,000.00		3420.753 NUVEEN HIGH INCOME BOND FD CL Y PROPERTY TYPE: SECURITIES 24,561.00					06/17/2009 5,439.00	04/29/2010
106,377.00		3000. GENERAL MILLS INC PROPERTY TYPE: SECURITIES 4,950.00					11/11/1911 101,427.00	12/22/2010
43,667.00		1200. GILEAD SCIENCES INC PROPERTY TYPE: SECURITIES 53,943.00					06/17/2009 -10,276.00	12/22/2010
165,998.00		4000. HEWLETT PACKARD CO PROPERTY TYPE: SECURITIES 7,600.00					11/11/1911 158,398.00	12/22/2010
3,949.00		3948.97 HONDA AUTO REC OWNER 5.100% 3/1 PROPERTY TYPE: SECURITIES 3,949.00					02/21/2007	01/18/2010
3,756.00		3755.86 HONDA AUTO REC OWNER 5.100% 3/1 PROPERTY TYPE: SECURITIES 3,756.00					02/21/2007	02/18/2010

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
3,588.00		3588.15 HONDA AUTO REC OWNER 5.100% 3/1 PROPERTY TYPE: SECURITIES 3,588.00					02/21/2007	03/18/2010
3,267.00		3267.2 HONDA AUTO REC OWNER 5.100% 3/18 PROPERTY TYPE: SECURITIES 3,267.00					02/21/2007	04/18/2010
72,694.00		3500. INTEL CORP PROPERTY TYPE: SECURITIES 5,277.00					05/20/1992	12/22/2010
142,621.00		2300. JOHNSON JOHNSON PROPERTY TYPE: SECURITIES 3,910.00					11/11/1911	12/22/2010
98,638.00		4000. MARSH MCLENNAN COS INC PROPERTY TYPE: SECURITIES 19,600.00					11/11/1911	04/29/2010
71,371.00		1000. MCDONALDS CORP PROPERTY TYPE: SECURITIES 2,473.00					06/07/1984	04/29/2010
269,563.00		3500. MCDONALDS CORP PROPERTY TYPE: SECURITIES 8,654.00					06/07/1984	12/22/2010
48,039.00		4000. NOKIA CORP SPSP A D R PROPERTY TYPE: SECURITIES 6,540.00					08/24/1994	04/29/2010
126,198.00		4000. ORACLE CORPORATION PROPERTY TYPE: SECURITIES 1.00					12/29/1993	12/22/2010
5,032.00		200. PACKAGING CORP AMERICA PROPERTY TYPE: SECURITIES 3,250.00					05/04/2009	04/29/2010
51,639.00		2000. PACKAGING CORP AMERICA PROPERTY TYPE: SECURITIES 32,496.00					05/04/2009	12/22/2010

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P r o p e r t y	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
147,038.00		2500. PHILIP MORRIS INTL PROPERTY TYPE: SECURITIES 3,911.00					11/11/1911 143,127.00	12/22/2010
56,834.00		1500. MATERIALS SELECT SECTOR S P D R PROPERTY TYPE: SECURITIES 40,169.00					06/17/2009 16,665.00	12/22/2010
240,588.00		4000. TARGET CORPORATION PROPERTY TYPE: SECURITIES 11,600.00					11/11/1911 228,988.00	12/22/2010
86,579.00		1000. 3M CO PROPERTY TYPE: SECURITIES 9,300.00					11/11/1911 77,279.00	12/22/2010
TOTAL GAIN(LOSS)					----- 1,680,302. =====	

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INTEREST ON SAVINGS AND TEMPORARY CASH I	2.	2.
TOTAL	2.	2.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
ABBOTT LABORATORIES	5,160.	5,160.
AIR PRODS CHEMICALS INC	1,152.	1,152.
ALTRIA GROUP INC	5,680.	5,680.
AMERICAN EXPR CR MTN 5.550% 10/17/12	13,875.	13,875.
BANK OF AMERICA CORP	140.	140.
BLACKROCK INC	1,200.	1,200.
CHEVRON CORPORATION	1,704.	1,704.
EMERSON ELEC CO	3,240.	3,240.
EXXON MOBIL CORP	374.	374.
NUVEEN INTERMD TERM BD FD CL Y	4,049.	4,049.
NUVEEN TOTAL RETURN BOND FD CL Y	4,186.	4,186.
NUVEEN HIGH INCOME BOND FD CL Y	8,552.	8,552.
GENERAL ELECTRIC CO	1,680.	1,680.
GENERAL MILLS INC	8,400.	8,400.
GOLDMAN SACHS GROUP INC	700.	700.
HEWLETT PACKARD CO	2,400.	2,400.
HONDA AUTO REC OWNER 5.100% 3/18/11	150.	150.
INTEL CORP	5,040.	5,040.
ISHARES MSCI EMERGING MKTS E T F	117.	117.
ISHARES S&P SMALLCAP 600 INDEX E T F	661.	661.
J P MORGAN CHASE CO	320.	320.
JOHNSON JOHNSON	9,495.	9,495.
KRAFT FOODS INC CL A	2,900.	2,900.
MARSH MCLENNAN COS INC	1,600.	1,600.
MCDONALDS CORP	14,110.	14,110.
ORACLE CORPORATION	1,400.	1,400.
PIMCO TOTAL RETURN FUND INST	47.	47.
PACKAGING CORP AMERICA	1,260.	1,260.
PFIZER INC	1,435.	1,435.
PHILIP MORRIS INTL	9,520.	9,520.
SCHLUMBERGER LTD	672.	672.
MATERIALS SELECT SECTOR S P D R	1,768.	1,768.
BPV467 L770 04/12/2011 12:37:57	080010329900	

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
TARGET CORPORATION	5,880.	5,880.
TEVA PHARMACEUTICAL INDS LTD A D R	811.	811.
3M CO	4,200.	4,200.
X T O ENERGY INC	225.	225.
	-----	-----
TOTAL	124,103.	124,103.
	=====	=====

FORM 990PF, PART I - LEGAL FEES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
LEGAL FEES	3,645.	1,823.		1,822.
TOTALS	3,645.	1,823.	NONE	1,822.
	=====	=====	=====	=====

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	CHARITABLE PURPOSES -----
OTHER PROFESSIONAL FEES	46,792.	37,134.	9,658.
TOTALS	46,792.	37,134.	9,658.
	=====	=====	=====

FORM 990PF, PART I - TAXES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
FOREIGN TAXES	77.	77.
FEDERAL TAX PAYMENT - PRIOR YE	555.	
FEDERAL TAX	4,988.	
FOREIGN TAXES ON QUALIFIED FOR	16.	16.
FOREIGN TAXES ON NONQUALIFIED	1.	1.
	-----	-----
TOTALS	5,637.	94.
	=====	=====

FORM 990PF, PART I - OTHER EXPENSES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	CHARITABLE PURPOSES -----
FILING FEES	25.	25.
	-----	-----
TOTALS	25.	25.
	=====	=====

ELAINE F STEPANEK FOUNDATION 080010329900

20-5632706

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
-----	-----	-----	---
SCHLUMBERGER LTD	68,192.		
ABBOTT LABS	8,100.	5,400.	95,820.
ALTRIA GROUP INC	2,741.	1,368.	49,240.
GOLDMAN SACHS GROUP INC	88,465.	88,465.	84,080.
BANK OF AMERICA CORP	43,339.	43,339.	46,690.
EMERSON ELEC CO	16,080.	8,040.	68,604.
GENERAL ELEC CO	12,800.	12,800.	73,160.
GENERAL MILLS INC	13,200.	8,250.	177,950.
HEWLETT PACKARD CO	11,400.	3,800.	84,200.
INTEL CORP	12,063.	6,785.	94,635.
JOHNSON & JOHNSON	7,650.	3,740.	136,070.
MARSH & MCLENNAN COS INC	19,600.		
MC DONALDS CORP	17,308.	6,181.	191,900.
NOKIA CORP SP5D ADR	6,540.		
TARGET CORPORATION	20,300.	8,700.	180,390.
3M CO	18,600.	9,300.	86,300.
KRAFT FOODS INC CL A	2,701.	2,701.	78,775.
ORACLE CORPORATION	1.		93,900.
TEVA PHARMACEUTICAL INDS LTD	46,939.		
J P MORGAN CHASE & CO	68,875.	68,875.	67,872.
PHILIP MORRIS INTL INC	6,246.	2,335.	87,795.
AIR PRODS CHEMICALS INC	40,324.	40,324.	54,570.
CHEVRON CORP	41,316.	41,316.	54,750.
GILEAD SCIENCES INC	53,943.		
PACKAGING CORP OF AMERICA	35,746.		
PFIZER	34,505.	45,496.	45,526.
X T O ENERGY INC	24,179.		
MATERIALS SELECT SECTOR SPDR X	40,169.		
AMERICAN TOWER CORP		45,726.	46,476.

ELAINE F STEPANEK FOUNDATION 080010329900

20-5632706

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
-----	-----	-----	---
APPLE INC		64,994.	64,512.
CATERPILLAR INC		47,184.	46,830.
EXPRESS SCRIPTS INC		46,710.	45,943.
EXXON MOBIL CORP		24,129.	31,076.
GOOGLE INC CL A		68,708.	77,216.
MEDCO HEALTH SOLUTIONS INC		44,794.	44,421.
QUALCOMM INC		44,811.	44,541.
THE MOSAIC CO		45,021.	49,634.
WHIRLPOOL CORP		44,855.	44,415.
SCHLUMBERGER LTD		68,192.	66,800.
TEVA PHARMACEUTICAL INDS LTD		46,939.	57,343.
		-----	-----
TOTALS	761,322.	999,278.	2,471,434.
	=====	=====	=====

ELAINE F STEPANEK FOUNDATION 080010329900

20-5632706

FORM 990PF, PART II - CORPORATE BONDS

=====

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
-----	-----	-----	---
HONDA AUTO REC OWNER	14,559.	100,000.	101,118.
AMERICAN EXPR CENTURION C D	260,883.	260,883.	267,405.
FIRST AMER TOTAL RETURN BD FD	50,000.	100,000.	109,465.
FIRST AMER HIGH INCOME BD FD	100,000.	125,439.	151,240.
FIRST AMER INTERMD TERM BD FD	100,000.	100,000.	113,902.
	-----	-----	-----
TOTALS	525,442.	686,322.	743,130.
	=====	=====	=====

ELAINE F STEPANEK FOUNDATION 080010329900

20-5632706

FORM 990PF, PART II - OTHER INVESTMENTS

=====

COST/
FMV

C OR F

DESCRIPTION

ENDING
BOOK VALUE

ENDING
FMV

ISHARES MSCI EAFE INDEX FD ETF	C	461,200.	465,760.
IPATH DOW JONES UBS COMMODITY	C	191,903.	196,480.
ISHARES MSCI EMERGING MKTS ETF	C	186,318.	190,568.
ISHARES S&P SMALLCAP 600 INDEX	C	139,080.	136,940.
MIDCAP SPDR TRUST SERIES I ETF	C	273,224.	271,722.

TOTALS

1,251,725.

1,261,470.

=====

=====

ELAINE F STEPANEK FOUNDATION 080010329900

20-5632706

FORM 990PF, PART II - OTHER ASSETS

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	ENDING FMV ---
ACCRUED INCOME	1,570.	1,536.	1,536.
	-----	-----	-----
TOTALS	1,570.	1,536.	1,536.
	=====	=====	=====

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

=====

DESCRIPTION

AMOUNT

ROUNDING

1.

TOTAL

1.

=====

STATE(S) WHERE THE FOUNDATION IS REGISTERED
=====

MN

FORM 990PF, PART VII-A, LINE 14 - BOOKS ARE IN THE CARE OF
=====

NAME: US BANK NATIONAL ASSOCIATION

ADDRESS: 800 NICOLLET MALL, BC-MN-H16A
MINNEAPOLIS, MN 55402-7020

TELEPHONE NUMBER: (612)303-3258

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
=====

OFFICER NAME:

ELAINE F STEPANEK

ADDRESS:

1991 INVERNESS LANE
MONTECITO, CA 93108

TITLE:

PRESIDENT, TREASURER

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 4

OFFICER NAME:

ANNA F LAYNOR

ADDRESS:

15 HUMMOCK LANE
YARMOUTH PORT, MA 02675

TITLE:

VICE PRESIDENT, SECRETARY

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 2

OFFICER NAME:

DANIEL H GAINES

ADDRESS:

256 NORTH REFUGIO ROAD
SANTA YNEZ, CA 93460

TITLE:

VICE PRESIDENT, ASST TREAS/SEC

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 2

ELAINE F STEPANEK FOUNDATION 080010329900
FORM 990PF, PART XV - LINES 2a - 2d

20-5632706

=====

RECIPIENT NAME:

ELAINE F STEPANEK FOUNDATION

ADDRESS:

C/O US BANK NA, 101 E 5TH ST, 14TH FLOOR
ST. PAUL, MN 55101-1860

RECIPIENT'S PHONE NUMBER: 651-466-8724

FORM, INFORMATION AND MATERIALS:

LETTER FORMAT

SUBMISSION DEADLINES:

NONE

RESTRICTIONS OR LIMITATIONS ON AWARDS:

SUPPORTS PUBLICLY SUPPORTED CHARITABLE ORGANIZATIONS AND 501(C)(3)
ORGANIZATIONS. THE FOUNDATION MAY ALSO PROVIDE SCHOLARSHIPS WITH THE
SCHOOL AND GEOGRAPHICAL AREA TO BE DETERMINED.

STATEMENT 17

ELAINE F STEPANEK FOUNDATION 080010329900

20-5632706

FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID

=====

RECIPIENT NAME:

SCHOOL DISTRICT 761 FOUNDATION

ADDRESS:

PO BOX 463

OWATONNA, MN 55060

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

SCHOLARSHIP AWARDS

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 70,000.

TOTAL GRANTS PAID:

70,000.

=====

SCHEDULE D
(Form 1041)Department of the Treasury
Internal Revenue Service**Capital Gains and Losses**▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

2010

Name of estate or trust

ELAINE F STEPANEK FOUNDATION 080010329900

Employer identification number

20-5632706

Note: Form 5227 filers need to complete *only* Parts I and II.**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	7,472.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2009 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ▶	5	7,472.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	1,672,830.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2009 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ▶	12	1,672,830.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2010

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
13	Net short-term gain or (loss)	13		7,472.
14	Net long-term gain or (loss):			
a	Total for year	14a		1,672,830.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a ▶	15		1,680,302.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation	
16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of: a The loss on line 15, column (3) or b \$3,000 16 ()

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates	
Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.	
Caution: Skip this part and complete the worksheet on page 8 of the instructions if: • Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or • Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.	
Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.	

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero 18			
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) 19			
20	Add lines 18 and 19 20			
21	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- ▶ 21			
22	Subtract line 21 from line 20. If zero or less, enter -0- 22			
23	Subtract line 22 from line 17. If zero or less, enter -0- 23			
24	Enter the smaller of the amount on line 17 or \$2,300 24			
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23 25			
26	Subtract line 25 from line 24 26			
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22 27			
28	Enter the amount from line 26 (If line 26 is blank, enter -0-) 28			
29	Subtract line 28 from line 27 29			
30	Multiply line 29 by 15% (.15) 30			
31	Figure the tax on the amount on line 23. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) 31			
32	Add lines 30 and 31 32			
33	Figure the tax on the amount on line 17. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) 33			
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) 34			

Schedule D (Form 1041) 2010

Department of the Treasury
Internal Revenue Service

► See instructions for Schedule D (Form 1041).

OMB No 1545-0092

2010

Name of estate or trust

Employer identification number

ELAINE F STEPANEK FOUNDATION 080010329900

20-5632706

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

1b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 1b	7,472.00
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For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D-1 (Form 1041) 2010

Name of estate or trust as shown on Form 1041. Do not enter name and employer identification number if shown on the other side

Employer identification number

ELAINE F STEPANEK FOUNDATION 080010329900

20-5632706

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 sh 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 1000. ABBOTT LABORATORIES	11/11/1911	12/22/2010	47,789.00	2,700.00	45,089.00
2000. ALTRIA GROUP INC	11/11/1911	12/22/2010	50,339.00	1,373.00	48,966.00
1200. EMERSON ELEC CO	11/11/1911	12/22/2010	69,394.00	8,040.00	61,354.00
.88 EXXON MOBIL CORP	06/17/2009	06/30/2010	51.00	50.00	1.00
3000. GENERAL MILLS INC	11/11/1911	12/22/2010	106,377.00	4,950.00	101,427.00
1200. GILEAD SCIENCES INC	06/17/2009	12/22/2010	43,667.00	53,943.00	-10,276.00
4000. HEWLETT PACKARD CO	11/11/1911	12/22/2010	165,998.00	7,600.00	158,398.00
3948.97 HONDA AUTO REC OWNER 5.100% 3/18/11	02/21/2007	01/18/2010	3,949.00	3,949.00	
3755.86 HONDA AUTO REC OWNER 5.100% 3/18/11	02/21/2007	02/18/2010	3,756.00	3,756.00	
3588.15 HONDA AUTO REC OWNER 5.100% 3/18/11	02/21/2007	03/18/2010	3,588.00	3,588.00	
3267.2 HONDA AUTO REC OWNER 5.100% 3/18/11	02/21/2007	04/18/2010	3,267.00	3,267.00	
3500. INTEL CORP	05/20/1992	12/22/2010	72,694.00	5,277.00	67,417.00
2300. JOHNSON JOHNSON	11/11/1911	12/22/2010	142,621.00	3,910.00	138,711.00
4000. MARSH MCLENNAN COS INC	11/11/1911	04/29/2010	98,638.00	19,600.00	79,038.00
1000. MCDONALDS CORP	06/07/1984	04/29/2010	71,371.00	2,473.00	68,898.00
3500. MCDONALDS CORP	06/07/1984	12/22/2010	269,563.00	8,654.00	260,909.00
4000. NOKIA CORP SPSP A D R	08/24/1994	04/29/2010	48,039.00	6,540.00	41,499.00
4000. ORACLE CORPORATION	12/29/1993	12/22/2010	126,198.00	1.00	126,197.00
2000. PACKAGING CORP AMERICA	05/04/2009	12/22/2010	51,639.00	32,496.00	19,143.00
2500. PHILIP MORRIS INTL	11/11/1911	12/22/2010	147,038.00	3,911.00	143,127.00
1500. MATERIALS SELECT SECTOR S P D R	06/17/2009	12/22/2010	56,834.00	40,169.00	16,665.00
4000. TARGET CORPORATION	11/11/1911	12/22/2010	240,588.00	11,600.00	228,988.00
1000. 3M CO	11/11/1911	12/22/2010	86,579.00	9,300.00	77,279.00

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b 1,672,830.00

Schedule D-1 (Form 1041) 2010