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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 , and ending

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

Name of foundation Susan Scott Heyneman Foundation		A Employer identification number 74-2364561
Number and street (or P O box number if mail is not delivered to street address) PO Box 7113	Room/suite	B Telephone number (see page 10 of the instructions) 406-255-5368
City or town, state, and ZIP code Billings MT 59103		C If exemption application is pending, check here ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 512,298	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)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	0	0		
	4 Dividends and interest from securities	17,071	17,071		
	5 a Gross rents		0		
	b Net rental income or (loss)	0			
	6 a Net gain or (loss) from sale of assets not on line 10	12,219			
	b Gross sales price for all assets on line 6a	36,903			
	7 Capital gain net income (from Part IV, line 2)		12,219		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10 a Gross sales less returns and allowances	0			
b Less Cost of goods sold	0				
c Gross profit or (loss) (attach schedule)	0				
11 Other income (attach schedule)	751	0	0		
12 Total. Add lines 1 through 11	30,041	29,290	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	4,637	2,318		2,319
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)	0	0	0	0
	b Accounting fees (attach schedule)	696	500	0	196
	c Other professional fees (attach schedule)	0	0	0	0
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	189	189	0	0
	19 Depreciation (attach schedule) and depletion	0	0	0	
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	48	0	0	0
	24 Total operating and administrative expenses. Add lines 13 through 23	5,570	3,007	0	2,515
	25 Contributions, gifts, grants paid	19,000			19,000
26 Total expenses and disbursements. Add lines 24 and 25	24,570	3,007	0	21,515	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	5,471				
b Net investment income (if negative, enter -0-)		26,283			
c Adjusted net income (if negative, enter -0-)			0		

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

(HTA)

Form **990-PF** (2010)

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Part II Balance Sheets		Beginning of year	End of year	
			(a) Book Value	(b) Book Value
Assets	1 Cash—non-interest-bearing	12,467	4,608	4,608
	2 Savings and temporary cash investments			
	3 Accounts receivable			
	Less: allowance for doubtful accounts	0	0	0
	4 Pledges receivable			
	Less: allowance for doubtful accounts	0	0	0
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	0	0	0
	7 Other notes and loans receivable (attach schedule)			
	Less: allowance for doubtful accounts	0	0	0
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments—U S and state government obligations (attach schedule)	9,611	9,610	10,646
	b Investments—corporate stock (attach schedule)	277,188	290,351	465,408
	c Investments—corporate bonds (attach schedule)	30,160	30,160	31,636
Liabilities	11 Investments—land, buildings, and equipment basis			
	Less: accumulated depreciation (attach schedule)	0	0	0
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	0	0	0
	14 Land, buildings, and equipment basis			
	Less: accumulated depreciation (attach schedule)	0	0	0
	15 Other assets (describe)	0	0	0
	16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	329,426	334,729	512,298
	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21 Mortgages and other notes payable (attach schedule)	0	0	
	22 Other liabilities (describe)	0	0	
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ☐			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ☒			
	27 Capital stock, trust principal, or current funds	329,426	334,729	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see page 17 of the instructions)	329,426	334,729	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	329,426	334,729	

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	329,426
2 Enter amount from Part I, line 27a	2	5,471
3 Other increases not included in line 2 (itemize)	3	0
4 Add lines 1, 2, and 3	4	334,897
5 Decreases not included in line 2 (itemize) <u>Unlocated reconciliation adjustment</u>	5	168
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	334,729

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a See attached list.				
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 36,903	0	24,684	12,219	
b 0	0	0	0	
c 0	0	0	0	
d 0	0	0	0	
e 0	0	0	0	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
a 0	0	0	12,219	
b 0	0	0	0	
c 0	0	0	0	
d 0	0	0	0	
e 0	0	0	0	
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	12,219
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 }			3	0

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

(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	24,099	417,309	0.057749
2008	26,343	512,752	0.051376
2007	26,916	609,593	0.044154
2006	25,140	534,341	0.047049
2005	15,850	488,600	0.032440
2 Total of line 1, column (d)			2 0.232768
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 0.046554
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4 476,437
5 Multiply line 4 by line 3			5 22,180
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 263
7 Add lines 5 and 6			7 22,443
8 Enter qualifying distributions from Part XII, line 4 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.			8 21,515

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

1 a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b		1	526
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0
3 Add lines 1 and 2		3	526
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	
5 Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-		5	526
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	405	
b Exempt foreign organizations—tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	0	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	405	
8 Enter any penalty for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	0	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	121	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0	
11 Enter the amount of line 10 to be Credited to 2011 estimated tax Refunded	11	0	

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 page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation. \$ _____ (2) On foundation managers \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
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? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) MT		
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

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? Website address ▶ Not Applicable	13	X	
14	The books are in care of ▶ Scott Family Services, Inc. Telephone no ▶ (406) 255-5024 Located at ▶ 401 North 31st., Suite 700 Billings MT ZIP+4 ▶ 59101			
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			
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶	16	Yes	No X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.**

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

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**

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?☐ 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**6b**

X

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

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**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
First Interstate Bank PO Box 30918 Billings MT 59116	Trustee	00	4,637	0
Susan Scott Heyneman Bench Ranch Fishtail MT 59028	Trustee	1 00	0	0
John Heyneman Jr. 4100 Big Horn Avenue Sheridan WY 82801	Trustee	1 00	0	0
		00	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				

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

▶

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		0
.....		0
.....		0
.....		0
.....		0
.....		0
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 Not Applicable	
.....	
2	
.....	
3	
.....	
4	
.....	

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

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

	Amount
1 Not Applicable	
.....	
2	
.....	
All other program-related investments. See page 24 of the instructions	
3	0
.....	0
Total. Add lines 1 through 3	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes.		
a	Average monthly fair market value of securities	1a	480,284
b	Average of monthly cash balances	1b	3,408
c	Fair market value of all other assets (see page 25 of the instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	483,692
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	483,692
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	7,255
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	476,437
6	Minimum investment return. Enter 5% of line 5	6	23,822

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	23,822
2a	Tax on investment income for 2010 from Part VI, line 5	2a	526
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	0
c	Add lines 2a and 2b	2c	526
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	23,296
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	23,296
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	23,296

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	21,515
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	4	21,515
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	21,515

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				23,296
2 Undistributed income, if any, as of the end of 2010.				
a Enter amount for 2009 only			18,535	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2010				
a From 2005	0			
b From 2006	0			
c From 2007	0			
d From 2008	0			
e From 2009	0			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ 21,515				
a Applied to 2009, but not more than line 2a			18,535	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	0			
d Applied to 2010 distributable amount				2,980
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
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				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				20,316
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	0			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2006	0			
b Excess from 2007	0			
c Excess from 2008	0			
d Excess from 2009	0			
e Excess from 2010	0			

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

N/A

- 1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling ▶
- b** Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	0	0	0	0	0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed	0	0	0	0	0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	0	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	0	0	0	0	0
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)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

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))

Susan Scott Heyneman

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

None

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

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

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

Susan Scott Heyneman Bench Ranch Fishtail MT 59028

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

See Statement #1

- c** Any submission deadlines.

None

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

See Statement #1

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i>				
Yellowstone Art Museum		501(c)(3)	Operating Support	2,500
401 N. 27th St.				
Billings MT 59101				
Shakespeare in the Park		501(c)(3)	Operating Support	1,500
MSU / 1501 S 11th Avenue				
Bozeman MT 59717				
Montana Community Foundation		501(c)(3)	Endowment	1,500
PO Box 72				
Absarokee MT 59001				
Billings Food Bank		501(c)(3)	Operating Support	2,500
PO Box 1158				
Billings MT 59103				
Montana Rescue Mission		501(c)(3)	Operating Support	2,500
PO Box 3232				
Billings MT 59103				
Big Sky Hospice		501(c)(3)	Operating Support	2,000
PO Box 35033				
Billings MT 59107				
Mental Health Center		501(c)(3)	Operating Support	1,500
1245 North 29th Street				
Billings MT 59103				
Absarokee Volunteer Ambulance		501(c)(3)	Operating Support	1,000
PO Box 302				
Absarokee MT 59001				
KS&A Kleinfelter's Syndrome Association		501(c)(3)	Operating Support	1,000
PO Box 461047				
Aurora CO 80046				
Center for a Vital Community				
Sheridan College, PO Box 1500		501(c)(3)	Operating Support	1,000
Sheridan WY 82801				
Yellowstone Aids Project		501(c)(3)	Operating Support	2,000
2906 1st Avenue N. #200				
Billings MT 59101				
Total			3a	19,000
b <i>Approved for future payment</i>				
Total			3b	0

Tax Worksheet

(01/01/2010 To 12/31/2010)

Tax ID : 74-2364561

Account Name: Susan Scott Heyneman Foundation

Account Number : 321159

State of Domicile : Montana

Generation Skipping : N/A

Administrator : Cynthia Reiersen

Accountant : Tim Leuthold

Scott Family Services

Billings MT 59103

* * Schedule D * *

Shares/PV	Asset Sold	Date Acquired	How Acq	Date Sold	Holding Period	Sales Proceeds	Original Cost	Realized Gain/ Loss
40	3M Company	01/15/1992	P	10/06/2010	Long !	3,477.93	945.19	2,532.74
60	Air Products & Chemicals	05/03/1996	P	11/15/2010	Long !	4,973.81	1,740.66	3,233.15
400	BP PLC Formerly BP Amoco PLC Sponsored ADR	04/20/1989	F	06/11/2010	Long !	13,246.71	6,753.84	6,492.87
150	Honda Motors Co Limited Sponsored ADR	01/25/2005	P	11/15/2010	Long !	5,392.13	3,961.28	1,430.85
400	Starbucks Corporation	03/08/2005	P	08/05/2010	Long !	9,783.87	11,256.00	-1,472.13
0.190	Morgan Stanley China A Share Fund	12/15/2006	P	08/27/2010	Long	5.05	4.92	0.13
0.670	Morgan Stanley China A Share Fund	12/15/2006	P	12/28/2010	Long	18.48	17.23	1.25
0.190	Morgan Stanley China A Share Fund	12/15/2006	P	12/28/2010	Long	5.27	4.92	0.35
0.010	Morgan Stanley China A Share Fund	12/15/2006	P	08/26/2010	Long	0.12	0.23	-0.11
						36,903.37		12,219.10
							24,684.27	

! denotes Asset may qualify for Five-Year Gain Rule

How Acquired: F - Free Receipt, B - Beginning Inventory, C - Call, G - Gift,
L - Payment Made (Liability), P - Purchase, R - Reinvestment, S - Spinoff, U - Undetermined

Gain/Loss Summary :

Short Term GL		Long Term GL	
Gains From Sales :	0.00	Gains From Sales :	13,691.34
Losses From Sales :	0.00	Losses From Sales :	-1,472.24
Common Funds :	0.00	Common Funds :	0.00
Short Term Gains :	0.00	Long Term Gain :	13,691.34
Short Term Losses :	0.00	Long Term Losses :	-1,472.24
Net Short Term G/L:	0.00	Net Long Term G/L :	12,219.10
Capital Gain Dist :	0.00	Capital Gain Dist :	0.00

Susan Scott Heyneman Foundation
Form 990PF
Part XV
Question #2

The Susan Scott Heyneman Foundation is operated exclusively for religious, educational, environmental, or other charitable purposes. Limitations are not placed on geographical areas, charitable fields, or amounts requested.

Account Holdings As Of

Filtered By : Account = 321159 Susan Scott Heyneman Foundation
 Sorted By : Account Number
 Date Run 10/20/2011

Account Name : Susan Scott Heyneman Foundation

As Of: 12/31/2010

Time Printed 9 59 17 AM
 Account Number : 321159

Shares	Asset Description	Cost	Market	Unr Gain Loss	Est Ann Income	Yield
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Prices As Of: 12/31/2010

Taxable Money Market Funds

3,430.89	Northern Institutional Gov Select .01%	3,430.89	3,430.89	0.00	1.03	0.03%
Sub Total		3,430.89	3,430.89	0.00	1.03	0.03%

U.S. Treasury Notes & Bonds

10,000	U S Treas Notes 4.000% 11/15/12	9,610.17	10,646.09	1,035.92	400.00	3.76%
Sub Total		9,610.17	10,646.09	1,035.92	400.00	3.76%

Corporate Bonds

10,000	Coca-Cola Company Bonds 5 750% 03/15/11	9,990.30	10,104.52	114.22	575.00	5.69%
10,000	Morgan Stanley Dean Witter 5.300% 03/01/13	10,417.30	10,656.18	238.88	530.00	4.97%
10,000	American Express Credit Corp 5.875% 05/02/13	9,752.50	10,875.38	1,122.88	587.50	5.40%
Sub Total		30,160.10	31,636.08	1,475.98	1,692.50	5.35%

Common Stock

200	3M Company	4,725.96	17,260.00	12,534.04	420.00	2.43%
165	Air Products & Chemicals	5,683.99	15,006.75	9,322.76	323.40	2.16%
600	Altria Group Inc	9,720.33	14,772.00	5,051.67	912.00	6.17%
435	AT&T Inc	13,019.64	12,780.30	-239.34	748.20	5.85%
250	Boeing Company	8,821.62	16,315.00	7,493.38	420.00	2.57%
400	Bristol Myers Squibb Company	4,978.63	10,592.00	5,613.37	528.00	4.98%
185	Deere & Company	14,951.36	15,364.25	412.89	259.00	1.69%
600	General Electric Company	14,604.77	10,974.00	-3,630.77	336.00	3.06%
342	JP Morgan Chase & Company	4,570.10	14,507.64	9,937.54	68.40	0.47%
200	Kimberly Clark Corporation	10,892.41	12,608.00	1,715.59	528.00	4.19%
400	Medtronic Inc	14,458.70	14,836.00	377.30	360.00	2.43%
600	Microsoft Corporation	221.99	16,746.00	16,524.01	384.00	2.29%
200	NextEra Energy Inc	4,128.33	10,398.00	6,269.67	400.00	3.85%
365	Nordic Amer Tanker Shipping	12,693.27	9,497.30	-3,195.97	365.00	3.84%
200	Pepsico Inc	2,072.13	13,066.00	10,993.87	384.00	2.94%

Account Holdings As Of

Filtered By Account = 321159.Susan Scott Heyneman Foundation
 Sorted By . Account Number
 Date Run . 10/20/2011

Account Name : Susan Scott Heyneman Foundation

As Of: 12/31/2010

Time Printed 9 59 17 AM
 Account Number : 321159

Shares	Asset Description	Cost	Market	Unr Gain Loss	Est Ann Income	Yield
Prices As Of: 12/31/2010						
325	Philip Morris International	10,453.14	19,022.25	8,569.11	832.00	4.37%
275	Schlumberger Limited	2,268.40	22,962.50	20,694.10	231.00	1.01%
300	Sempra Energy Inc	5,034.73	15,744.00	10,709.27	468.00	2.97%
230	United Technologies Corporation	6,039.46	18,105.60	12,066.14	391.00	2.16%
375	Unitedhealth Group Inc	15,974.20	13,541.25	-2,432.95	187.50	1.38%
150	WYNN Resorts LTD	10,624.00	15,576.00	4,952.00	75.00	0.48%
Sub Total		175,937.16	309,674.84	133,737.68	8,620.50	2.78%
Foreign Common Stock						
350	Honda Motors Co Limited Sponsored ADR	9,242.97	13,825.00	4,582.03	169.34	1.22%
300	Ingersoll- Rand PLC	11,559.00	14,127.00	2,568.00	84.00	0.59%
200	Royal Dutch Shell PLC-ADR A	10,609.38	13,356.00	2,746.62	571.20	4.28%
400	Vale SA - Sp ADR	11,059.14	13,828.00	2,768.86	0.00	0.00%
656	Vodafone Group PLC-SP ADR	8,052.31	17,344.64	9,292.33	855.49	4.93%
Sub Total		50,522.80	72,480.64	21,957.84	1,680.03	2.32%
US Large Cap Equity Funds						
485.115	Invesco Equally-Weighted S&P 500 Fund- A	9,306.16	14,912.44	5,606.28	196.62	1.32%
Sub Total		9,306.16	14,912.44	5,606.28	196.62	1.32%
ETF - Equity Funds						
400	Claymore S&P Global Water ETF	10,013.67	8,308.00	-1,705.67	166.80	2.01%
Sub Total		10,013.67	8,308.00	-1,705.67	166.80	2.01%
ETF - US Large Cap Equity Fund						
300	MFC Powershares QQQ Trust Unit Series 1	7,894.18	16,338.00	8,443.82	108.19	0.66%
Sub Total		7,894.18	16,338.00	8,443.82	108.19	0.66%
ETF - Int'l Equity Funds						
442	Morgan Stanley China A Share Fund	12,800.26	12,088.70	-711.56	0.00	0.00%
Sub Total		12,800.26	12,088.70	-711.56	0.00	0.00%

Account Holdings As Of

Filtered By Account = 321159 Susan Scott Heyneman Foundation
 Sorted By Account Number
 Date Run : 10/20/2011

Account Name : Susan Scott Heyneman Foundation

As Of : 12/31/2010

Time Printed : 9 59.17 AM
 Account Number : 321159

Shares	Asset Description	Cost	Market	Unr Gain Loss	Est Ann Income	Yield
Prices As Of : 12/31/2010						

ETF - Alternative Investment

300	Mid-America Apartment Communities REIT	14,910.05	19,047.00	4,136.95	753.00	3.95%
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Sub Total

\$	14,910.05	19,047.00	4,136.95	753.00	3.95%
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Limited Partnerships

200	Plains All American Pipeline, LP	8,966.40	12,558.00	3,591.60	760.00	6.05%
-----	----------------------------------	----------	-----------	----------	--------	-------

Sub Total

\$	8,966.40	12,558.00	3,591.60	760.00	6.05%
----	----------	-----------	----------	--------	-------

Grand Total

\$	333,551.84	511,120.68	177,568.84	14,378.67	2.81%
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Principal Cash: 32,046.05

Income Cash: -32,046.05

Invested Income: 0.00

Line 11 (990-PF) - Other Income

	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income
1	Partnership Distribution	751	0	
2			0	
3			0	
4			0	
5			0	
6			0	
7			0	
8			0	
9			0	
10			0	
		751	0	0

Line 16b (990-PF) - Accounting Fees

		696	500	0	196
	Name of Organization or Person Providing Service	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	Scott Family Services, Inc	696	500		196
2					
3					
4					
5					
6					
7					
8					
9					
10					

Line 18 (990-PF) - Taxes

		189	189	0	0
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Foreign Taxes withheld	189	189		
2	Tax on investment income				
3	Income tax				
4					
5					
6					
7					
8					
9					
10					

Line 23 (990-PF) - Other Expenses

	Description	Revenue and Expenses per Books	48	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes	0
1	Amortization. See attached statement		0	0	0	0	0
2	Postage		48				
3							
4							
5							
6							
7							
8							
9							
10							

Part II, Line 10a (990-PF) - Investments - U.S. and State Government Obligations

		9,611	9,610	10,682	10,646		
	Description	Book Value Beg. of Year	Book Value End of Year	FMV Beg. of Year	FMV End of Year	Check "X" if Federal Obligation	Check "X" if State/ Local Obligation
1	See attached schedule	9,611	9,610	10,682	10,646	X	
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							

Part II, Line 10b (990-PF) - Investments - Corporate Stock

				277,188	290,351	421,518	465,408
				Book Value	Book Value	FMV	FMV
				Beg. of Year	End of Year	Beg. of Year	End of Year
1	Description	Num. Shares/ Face Value		277,188	290,351	421,518	465,408
2	See attached schedule						
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							

Part II, Line 10c (990-PF) - Investments - Corporate Bonds

	Description	Interest Rate	Maturity Date	Book Value Beg. of Year	Book Value End of Year	FMV Beg. of Year	FMV End of Year
1	See attached schedule			30,160	30,160	31,873	31,636
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the extended due date for filing your return. See instructions.	Name of exempt organization		Employer identification number
	Susan Scott Heyneman Foundation		74-2364561
	Number, street, and room or suite no. If a P O box, see instructions.		
	PO Box 7113		
City, town or post office, state, and ZIP code. For a foreign address, see instructions			
Billings			MT 59103

Enter the Return code for the return that this application is for (file a separate application for each return) **04**

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ☒ Scott Family Services, Inc.
Telephone No. ☒ (406) 255-5024 FAX No. ☐
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 4** I request an additional 3-month extension of time until 11/15/2011
- 5** For calendar year 2010, or other tax year beginning, and ending
- 6** If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period
- 7** State in detail why you need the extension. Additional time is requested to acquire all information necessary to complete and file an accurate return.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	405
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	405
c	Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	8c	\$	0

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature Title Date