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# Return of Private Foundation

## or Section 4947(a)(1) Nonexempt Charitable Trust

### Treated as a Private Foundation

2010

Department of the Treasury  
Internal Revenue Service

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

For calendar year 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 <b>SCHOLARSHIP FOUNDATION FOR EDUCATIONAL EXCELLENCE</b>		A Employer identification number <b>95-4525543</b>
Number and street (or P O box number if mail is not delivered to street address) <b>10709 NE 30TH AVENUE</b>	Room/suite	B Telephone number <b>360-571-4144</b> <b>801-521-1719</b>
City or town, state, and ZIP code <b>VANCOUVER, WA 98686</b>		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) <b>\$ 329,131.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
(Part I, column (d) must be on cash basis)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received		6,614.		N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		7,759.	7,759.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		90.			
b Gross sales price for all assets on line 6a	52,274.				
7 Capital gain net income (from Part IV, line 2)			90.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11		14,463.	7,849.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees					
c Other professional fees					
17 Interest					
18 Taxes					
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 2		81.	81.		0.
24 Total operating and administrative expenses Add lines 13 through 23		81.	81.		0.
25 Contributions, gifts, grants paid		19,230.			19,230.
26 Total expenses and disbursements Add lines 24 and 25		19,311.	81.		19,230.
27 Subtract line 26 from line 12		<4,848.>			
a Excess of revenue over expenses and disbursements			7,768.		
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)				N/A	

**SCHOLARSHIP FOUNDATION FOR EDUCATIONAL  
EXCELLENCE**

95-4525543

Page 2

**Part II Balance Sheets**

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1 Cash - non-interest-bearing	16,371.	11,989.	11,989.
	2 Savings and temporary cash investments			
	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			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 3	251,467.	272,162.	272,162.
	c Investments - corporate bonds STMT 4	44,840.	44,938.	44,938.
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶ <b>ACCRUED INTEREST</b> )	25.	42.	42.	
16 <b>Total assets</b> (to be completed by all filers)	312,703.	329,131.	329,131.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ )			
23 <b>Total liabilities</b> (add lines 17 through 22)	0.	0.		
<b>Net Assets or Fund Balances</b>	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	312,703.	329,131.	
	30 <b>Total net assets or fund balances</b>	312,703.	329,131.	
31 <b>Total liabilities and net assets/fund balances</b>	312,703.	329,131.		

**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	312,703.
2 Enter amount from Part I, line 27a	2	<4,848.>
3 Other increases not included in line 2 (itemize) ▶ <b>UNREALIZED GAINS</b>	3	21,276.
4 Add lines 1, 2, and 3	4	329,131.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 <b>Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30</b>	6	329,131.

Form 990-PF (2010)

**'SCHOLARSHIP FOUNDATION FOR EDUCATIONAL  
EXCELLENCE**

Form 990-PF (2010)

**95-4525543** Page **3**

**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.)
<b>1a PUBLICLY TRADED SECURITIES</b>	<b>P</b>		
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

(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)
<b>a</b> 52,274.		52,184.	90.
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69	(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	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
				<b>90.</b>
<b>a</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				

<b>2</b> Capital gain net income or (net capital loss) <span style="float:right;">{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }</span>	<b>2</b>	<b>90.</b>
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	<b>3</b>	<b>N/A</b>

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009			
2008			
2007			
2006			
2005			

<b>2</b> Total of line 1, column (d)	<b>2</b>	
<b>3</b> 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	<b>3</b>	
<b>4</b> Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	<b>4</b>	
<b>5</b> Multiply line 4 by line 3	<b>5</b>	
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	
<b>7</b> Add lines 5 and 6	<b>7</b>	
<b>8</b> Enter qualifying distributions from Part XII, line 4	<b>8</b>	

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.

**SCHOLARSHIP FOUNDATION FOR EDUCATIONAL**

Form 990-PF (2010)

**EXCELLENCE**

95-4525543

Page 4

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> 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 <input type="checkbox"/> and enter 1% of Part I, line 27b		1	155.
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	155.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	155.
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7		0.
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		155.
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
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> CA		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Form 990-PF (2010)

**Part VII-A Statements Regarding Activities** (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	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 <b>N/A</b>	13	X	
14	The books are in care of <b>DON PEARSON</b> Telephone no. <b>801-521-1719</b> Located at <b>10709 NE 30TH AVENUE, VANCOUVER, WA</b> ZIP+4 <b>98686</b>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	N/A	
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? 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? <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)? Organizations relying on a current notice regarding disaster assistance check here	N/A	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 instructions.)	N/A	2b
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <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.)	N/A	3b
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?		4b X

Form 990-PF (2010)

**SCHOLARSHIP FOUNDATION FOR EDUCATIONAL**

Form 990-PF (2010)

**EXCELLENCE**

**95-4525543**

Page **6**

**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))?   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?                   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| (3) Provide a grant to an individual for travel, study, or other similar purposes?  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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)?                | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

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

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

**5b** **X**

**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A**

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

☐ Yes ☐ No

**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

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

**7b**

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
DON PEARSON 10709 NE 30TH AVENUE VANCOUVER, WA 98686	PRESIDENT 3.00	0.	0.	0.
MARION GUBLER 1362 HIGHLAND AVENUE GLENDALE, CA 91202	VICE PRESIDENT 1.00	0.	0.	0.
DORIS GUBLER 1362 HIGHLAND AVENUE GLENDALE, CA 91202	VICE PRESIDENT 1.00	0.	0.	0.
ANN PEARSON 10709 NE 30TH AVENUE VANCOUVER, WA 98686	VICE PRESIDENT 3.00	0.	0.	0.

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

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

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

▶ **0**

Form **990-PF** (2010)

## 0

## 0.

2010.05070 SCHOLARSHIP FOUNDATION FOR 1292\_\_1



**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	296,568.
b	Average of monthly cash balances	1b	15,373.
c	Fair market value of all other assets	1c	42.
d	Total (add lines 1a, b, and c)	1d	311,983.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	311,983.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	4,680.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	307,303.
6	Minimum investment return. Enter 5% of line 5	6	15,365.

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

1	Minimum investment return from Part X, line 6	1	15,365.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	155.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	155.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	15,210.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	15,210.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	15,210.

**Part XII Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	19,230.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	19,230.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	19,230.

**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.

Form 990-PF (2010)

**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
<b>1</b> Distributable amount for 2010 from Part XI, line 7				15,210.
<b>2</b> Undistributed income, if any, as of the end of 2010				
<b>a</b> Enter amount for 2009 only			0.	
<b>b</b> Total for prior years:		0.		
<b>3</b> Excess distributions carryover, if any, to 2010:				
<b>a</b> From 2005				
<b>b</b> From 2006				
<b>c</b> From 2007				
<b>d</b> From 2008				
<b>e</b> From 2009				
<b>f</b> Total of lines 3a through e	0.			
<b>4</b> Qualifying distributions for 2010 from Part XII, line 4: ► \$ 19,230.				
<b>a</b> Applied to 2009, but not more than line 2a			0.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2010 distributable amount				15,210.
<b>e</b> Remaining amount distributed out of corpus	4,020.			
<b>5</b> Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	4,020.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		0.		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
<b>f</b> Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 2005 not applied on line 5 or line 7	0.			
<b>9</b> Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	4,020.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2006				
<b>b</b> Excess from 2007				
<b>c</b> Excess from 2008				
<b>d</b> Excess from 2009				
<b>e</b> Excess from 2010	4,020.			

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

N/A

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

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

☐ 4942(1)(3) or ☐ 4942(1)(5)

- 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
- b** 85% of line 2a
- c** Qualifying distributions from Part XII, line 4 for each year listed
- d** Amounts included in line 2c not used directly for active conduct of exempt activities
- e** 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(i)(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(i)(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 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).)

NONE

**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 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:**

DON AND ANN PEARSON, 801-521-1719  
10797 NE 30TH STREET, VANCOUVER, WA 98686

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

PLEASE SEE ATTACHED APPLICATION

**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:

AWARDED TO COLLEGE FRESHMAN OR SOPHOMORES IN THE GLENDALE AREA TO USE TOWARDS TUITION OR EDUCATIONAL RELATED EXPENSES.

### **3 Grants and Contributions Paid During the Year or Approved for Future Payment**

023611 12-07-10



**SCHOLARSHIP FOUNDATION FOR EDUCATIONAL  
EXCELLENCE**

Form 990-PF (2010)

95-4525543 Page 13

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

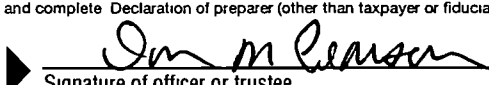

		Yes	No
<b>1</b>	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
<b>a</b>	Transfers from the reporting foundation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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

**2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

**b** If "Yes," complete the following schedule.

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

<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.				
	 Signature of officer or trustee		17 March 2012 Date		PRESIDENT Title
<b>Paid Preparer Use Only</b>	Print/Type preparer's name BRIAN YACKER		Preparer's signature 		Date 3/12/12
	Firm's name ▶ YH ADVISORS, INC.			Check <input type="checkbox"/> if self-employed PTIN	
	Firm's address ▶ 7755 CENTER AVENUE, SUITE 1225 HUNTINGTON BEACH, CA 92647			Firm's EIN ▶ Phone no. 310-982-2806	

Form 990-PF (2010)

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
MERRILL LYNCH	7,759.	0.	7,759.
TOTAL TO FM 990-PF, PART I, LN 4	7,759.	0.	7,759.

FORM 990-PF	OTHER EXPENSES	STATEMENT	2
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK CHARGES	81.	81.		0.
TO FORM 990-PF, PG 1, LN 23	81.	81.		0.

FORM 990-PF	CORPORATE STOCK	STATEMENT	3
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK	272,162.	272,162.
TOTAL TO FORM 990-PF, PART II, LINE 10B	272,162.	272,162.

FORM 990-PF	CORPORATE BONDS	STATEMENT	4
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS	44,938.	44,938.
TOTAL TO FORM 990-PF, PART II, LINE 10C	44,938.	44,938.

FORM 990-PF

GRANTS AND CONTRIBUTIONS  
PAID DURING THE YEAR

STATEMENT 5

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
STUDENT PERSONAL ADDRESS PROVO, UT 84602	NONE EDUCATIONAL	N/A	4,355.
STUDENT PERSONAL ADDRESS PROVO, UT 84602	NONE EDUCATIONAL	N/A	6,565.
STUDENT PERSONAL ADDRESS PROVO, UT 84602	NONE EDUCATIONAL	N/A	1,105.
STUDENT PERSONAL ADDRESS LOS ANGELES, CA 90089	NONE EDUCATIONAL	N/A	1,105.
STUDENT PERSONAL ADDRESS PROVO, UT 84602	NONE EDUCATIONAL	N/A	2,210.
STUDENT PERSONAL ADDRESS PROVO, UT 84602	NONE EDUCATIONAL	N/A	2,210.
STUDENT PERSONAL ADDRESS REXBURG, ID 83460	NONE EDUCATIONAL	N/A	1,680.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			19,230.



**SCHOLARSHIP FOUNDATION FOR EDUCATIONAL EXCELLENCE  
GRANT APPLICATION**

The Foundation has been funded by donors in Glendale, California. It is limited in the number of scholarships it can award each year. It is hoped that, after graduation and as circumstances permit, scholarship recipients will contribute back to Scholarship Foundation for Educational Excellence part or all of the amount of scholarship assistance given to them in order to permit the granting of future awards to other students.

*Blanks may be filled in on this sheet or questions may be answered on a separate sheet or via email.*

Name \_\_\_\_\_ Date of Birth \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

Ward or Church Affiliation if any \_\_\_\_\_

Have you applied for the school program you are interested in? \_\_\_\_\_ Accepted? \_\_\_\_\_

Which school? \_\_\_\_\_ Which semester? \_\_\_\_\_

What are your educational goals? \_\_\_\_\_

Describe your educational achievements (include high school and college classes and grades). **Please send a transcript from most recently attended institution.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

What would be your costs for a semester? \_\_\_\_\_

What are your financial resources—including potential jobs, parental help, scholarships?

\_\_\_\_\_  
\_\_\_\_\_

What are your other financial obligations? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Have you made application for other scholarships? \_\_\_\_\_ Status of those applications: \_\_\_\_\_

\_\_\_\_\_

Grants are made on a preferential basis to freshmen and sophomores. We expect students to pursue scholarship and grant opportunities available through their universities. Check with the Aid Office to explore all possibilities early in the year for the next school year.

**Please return this completed form to donandannpearson@gmail.com OR to  
Don and Ann Pearson, 10709 NE 30<sup>th</sup> Ave., Vancouver, WA 98686  
818-823-0910 or 360-571-4144**

## YOUR EMA BANK DEPOSIT INTEREST SUMMARY

December 01, 2010 - December 31, 2010

Money Account Description	Opening Balance	Average Deposit Balance	Current Yield%	Interest on Deposits	Closing Balance
FIA Card Services, N.A.	15,644	12,578	.10	1.02	11,987
<b>TOTAL ML Bank Deposit Program</b>	15,644			1.02	11,987

## YOUR EMA ASSETS

CASH/MONEY ACCOUNTS	Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Estimated Annual Income	Est. Annual Yield%
CASH	1.52	1.52		1.52		
ML BANK DEPOSIT PROGRAM	11,987.00	11,987.00	1.0000	11,987.00	12	.10
<b>TOTAL</b>		11,988.52		11,988.52	12	.10

CDs/EQUIVALENTS	Quantity	Adjusted/Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Estimated Current Yield%
CD BANK OF AMERICA NATL CHARLOTTE, NC 00.300% MAR 08 2011 CUSIP: 06051VJJ3	45,000	45,000.00	99.8620	44,937.90	(62.10)	42.16	.30
<b>TOTAL</b>	45,000	45,000.00		44,937.90	(62.10)	42.16	.30

PLEASE REFER TO NOTES BELOW FOR INFORMATION REGARDING CREDIT RATINGS.

MUTUAL FUNDS/CLOSED END FUNDS/UIT	Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Total Client Investment	Cumulative Investment Return (\$)	Estimated Annual Current Income	Current Yield%
BLACKROCK HL SC OPP C SYMBOL: SHSCX Initial Purchase: 04/24/09 Equity 100%	936	19,031.88	26.6400	24,935.04	5,903.16	18,073	6,861		
.9520 Fractional Share		24.73	26.6400	25.36	.63				
FIDELITY ADVISOR CONSUMER STAPLES FD CL C	769	38,060.05	67.1900	51,669.11	13,609.06	36.628	15,040	312	.60

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# TOTAL MERRILL

SCHOLARSHIP FOUNDATION FOR

## YOUR EMA ASSETS

December 01, 2010 - December 31, 2010

MUTUAL FUNDS/CLOSED END FUNDS/UIT Description	(continued) Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Total Client Investment	Cumulative Investment Return (\$)	Estimated Annual Current Income Yield%
SYMBOL: FDGCX Initial Purchase:12/10/08								
Equity 100%								
.5150 Fractional Share		33.94	67.1900	34.60	.66			1 .60
INVECO ENERGY FUND CL C	729	18,076.98	37.1800	27,104.22	9,027.24	18,076	9,027	
SYMBOL: IEFCX Initial Purchase:04/24/09								
Equity 100%								
.8990 Fractional Share		26.39	37.1800	33.42	7.03			
ISHARES MSCI EAFE INDEX FUND	395	20,531.74	58.2200	22,996.90	2,465.16	20,531	2,465	552 2.39
SYMBOL: EFA Initial Purchase:08/07/09								
Equity 100%								
LOOMIS SAYLES INVESTMENT GRADE BOND FD CL C	4,132	48,378.54	12.0400	49,749.28	1,370.74	44,994	4,754	2,004 4.02
SYMBOL: LGBCX Initial Purchase:11/19/09								
Fixed Income 100%								
.9400 Fractional Share		11.19	12.0400	11.32	.13			1 4.02
OPPENHEIMER INTERNATL BOND FD CL C	7,157	47,449.05	6.5400	46,806.78	(642.27)	44,999	1,807	1,596 3.40
SYMBOL: OIBCX Initial Purchase:11/19/09								
Fixed Income 100%								
.7410 Fractional Share		4.82	6.5400	4.85	.03			1 3.40
OPPENHEIMER DEVELOPING MARKETS FD CL C	861	15,801.52	35.0800	30,203.88	14,402.36	8,286	21,917	10 .03
SYMBOL: ODVCX Initial Purchase:12/09/08								
Equity 100%								

+

## YOUR EMA ASSETS

December 01, 2010 - December 31, 2010

MUTUAL FUNDS/CLOSED END FUNDS/UIT Description	(continued) Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Total Client Investment	Cumulative Investment Return (\$)	Estimated Annual Current Income Yield%
.6910 Fractional Share		19.41	35.0800	24.24	4.83			1 .03
STANDARD&POORS DEP RCPT SYMBOL: SPY Initial Purchase:08/07/09 Equity 100%	63	6,465.52	125.7500	7,922.25	1,456.73	6,465	1,456	143 1.80
TEMPLETON GLOBAL OPTIES TR SBI CL C SYMBOL: TEGPX Initial Purchase:11/19/09 Equity 100%	611	10,086.50	17.4100	10,637.51	551.01	9,988	648	72 .67
.1870 Fractional Share		3.23	17.4100	3.26	.03			1 .67
Subtotal (Fixed Income)				96,572.23				
Subtotal (Equities)				175,589.79				
<b>TOTAL</b>		224,005.49		272,162.02	48,156.53		63,975	4,694 1.72

**Total Client Investment:** Cost of shares directly purchased and still held. Does not include shares purchased through reinvestment.

**Cumulative Investment Return:** Estimated Market Value minus Total Client Investment. Cumulative Investment Return is the dollar value of the capital appreciation (depreciation) of all shares purchased and still held, including shares acquired through reinvestment of dividends and distributions, which may be greater or less than the actual income distributed.

**Market Timing:** Merrill Lynch's policies prohibit mutual fund market timing, which involves the purchase and sale of mutual fund shares within short periods of time with the intention of capturing short-term profits resulting from market volatility. Market timing may result in lower returns for long-term fund shareholders because market timers capture short-term gains that would otherwise pass to all shareholders and due to increased transaction costs and fewer assets for investment due to the need to retain cash to satisfy redemptions.

**Unrealized Gain or (Loss):** Estimated Market Value minus Total Cost Basis (total cost of shares directly purchased and still held, as well as cost of shares acquired through reinvestment). Provided for Tax Planning purposes only and is not applicable to retirement accounts.

**Initial Purchase:** Date of your initial investment in this fund.