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

2011

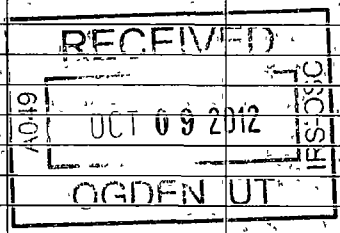
Note The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year **2011** or tax year beginning , **2011**, and ending , **20**

Name of foundation PEARSON-RAPPAPORT FOUNDATION		A Employer identification number 06-1484929
Number and street (or P O box number if mail is not delivered to street address) C/O AYCO COMPANY - NTG PO BOX 15014		B Telephone number (see instructions) (518) 640-5000
Room/suite		
City or town, state, and ZIP code ALBANY, NY 12212-5014		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply		D 1 Foreign organizations, check here <input type="checkbox"/>
<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity	2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change	F If the foundation is in a 60-month termination under section 507(b)(1)(B), 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		
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 2,668,467.		J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual
		<input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)					
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		438.	438.		ATCH 1
4 Dividends and interest from securities		53,942.	53,942.		ATCH 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		130,358.			
b Gross sales price for all assets on line 6a 1,100,207.					
7 Capital gain net income (from Part IV, line 2)			130,358.		
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		184,738.	184,738.	0	
13 Compensation of officers, directors, trustees, etc		0			
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees (attach schedule)					
b Accounting fees (attach schedule) ATCH 3		4,250.			
c Other professional fees (attach schedule)					
17 Interest					
18 Taxes (attach schedule) (see instructions) **		14,261.	175.		
19 Depreciation (attach schedule) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule) ATCH 5		3,549.			
24 Total operating and administrative expenses. Add lines 13 through 23		22,060.	175.		
25 Contributions, gifts, grants paid		802,910.			802,910.
26 Total expenses and disbursements. Add lines 24 and 25		824,970.	175.	0	802,910.
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		-640,232.			
b Net investment income (if negative, enter -0-)			184,563.		
c Adjusted net income (if negative, enter -0-)				0	

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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	198,336.	11,028.	11,028.	
	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 instructions)	2,725.	10,415.	ATCH 6 10,433.	
	7	Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶				
	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) ATCH 7	1,068,298.	607,153.	2,646,475.	
	c	Investments - corporate bonds (attach schedule),				
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶				
	12	Investments - mortgage loans				
	13	Investments - other (attach schedule)				
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶				
15	Other assets (describe ▶ ATCH 8)		531.	531.		
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	1,269,359.	629,127.	2,668,467.		
Liabilities	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 (attach schedule)				
	22	Other liabilities (describe ▶)				
23	Total liabilities (add lines 17 through 22)	0	0	0		
Net Assets or Fund Balances	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"/>					
	27	Capital stock, trust principal, or current funds	1,269,359.	629,127.		
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 instructions)	1,269,359.	629,127.			
31	Total liabilities and net assets/fund balances (see instructions)	1,269,359.	629,127.			

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	1,269,359.
2	Enter amount from Part I, line 27a	2	-640,232.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	629,127.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	629,127.

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 SCHEDULE					
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	130,358.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8			3	0	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see 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))
2010	903,790.	2,758,536.	0.327634
2009	862,678.	2,986,298.	0.288879
2008	854,956.	4,112,355.	0.207899
2007	738,121.	4,468,075.	0.165199
2006	415,650.	3,849,824.	0.107966
2 Total of line 1, column (d)			2 1.097577
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 0.219515
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 2,694,947.
5 Multiply line 4 by line 3			5 591,581.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,846.
7 Add lines 5 and 6			7 593,427.
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			8 802,910.

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

1 a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling 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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	1,846.
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	1,846.
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	1,846.
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	10,100.
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	10,100.
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	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	8,254.
11	Enter the amount of line 10 to be Credited to 2012 estimated tax <input type="checkbox"/> 8,254. Refunded <input type="checkbox"/> 11	11	

Part VII-A Statements Regarding Activities

	Yes	No
1 a		X
b		X
c		X
d		
e		
2		X
3		X
4 a		X
b	N/A	
5		X
6	X	
7	X	
8 a		
b	X	
9		X
10		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 instructions)
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
Website address N/A
14 The books are in care of AYCO COMPANY, LP - NTG Telephone no 518-640-5000
Located at 25 BRITISH AMERICAN BLVD., LATHAM, NY ZIP + 4 12110
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 2011, 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 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.

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?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(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)?
(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)
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?
Organizations relying on a current notice regarding disaster assistance check here
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 2011?
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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?
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)
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?
b If "Yes," did it have excess business holdings in 2011 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 2011)
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
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 2011?

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 propoganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
 - (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
 - (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
 - (4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) Yes No
 - (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here

5b N/A

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? Yes No
 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? Yes No

7b N/A

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 9		0	0	0

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
N/A		0	0	0

Total number of other employees paid over \$50,000 Yes No 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE	NONE	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 PLEASE NOTE, THE FOUNDATION IS NOT INVOLVED IN ANY DIRECT CHARITABLE ACTIVITIES. ITS PRIMARY PURPOSE IS TO SUPPORT, BY CONTRIBUTIONS, OTHER CHARITABLE ORGANIZATIONS EXEMPT UNDER INTERNAL REVENUE CODE SECTION 501(C)(3).	NONE
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	NONE
2	
All other program-related investments See instructions	
3 N/A	NONE
Total. Add lines 1 through 3	

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	2,311,926.
b	Average of monthly cash balances	1b	419,361.
c	Fair market value of all other assets (see instructions)	1c	4,700.
d	Total (add lines 1a, b, and c)	1d	2,735,987.
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	2,735,987.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	41,040.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,694,947.
6	Minimum investment return. Enter 5% of line 5	6	134,747.

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	134,747.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	1,846.
b	Income tax for 2011. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	1,846.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	132,901.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	132,901.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	132,901.

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	802,910.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	802,910.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	1,846.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	801,064.

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 instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				132,901.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only				
b Total for prior years 20 09, 20 08, 20 07				
3 Excess distributions carryover, if any, to 2011				
a From 2006 232,398.				
b From 2007 528,675.				
c From 2008 661,426.				
d From 2009 723,619.				
e From 2010 786,005.				
f Total of lines 3a through e	2,932,123.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 802,910.				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2011 distributable amount				132,901.
e Remaining amount distributed out of corpus	670,009.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	3,602,132.			
b Prior years' undistributed income Subtract line 4b from line 2b				
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 instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				NONE
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	232,398.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	3,369,734.			
10 Analysis of line 9				
a Excess from 2007 528,675.				
b Excess from 2008 661,426.				
c Excess from 2009 723,619.				
d Excess from 2010 786,005.				
e Excess from 2011 670,009.				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

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 2011, 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) 2011	(b) 2010	(c) 2009	(d) 2008	
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(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)(ii)					
(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 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).)

JILL P. RAPPAPORT, ALAN H. RAPPAPORT, JOANNE P. PEARSON, TRUSTEES

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 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:

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

c Any submission deadlines

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

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
<p>a Paid during the year</p> <p>ATTACHMENT 10</p>				
Total				3a 802,910.
b Approved for future payment				
Total				3b

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

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code... a Transfers from the reporting foundation to a noncharitable exempt organization of: (1) Cash (2) Other assets b Other transactions: (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A' for both (b) and (d).

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 [X] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. All cells are empty.

Sign Here 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) is based on all information of which preparer has any knowledge. Signature of officer or trustee: Joanne P Pearson, Date: 9/30/2012, Title: trustee. May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [] No

Paid Preparer Use Only Print/Type preparer's name: CHRISTINE W. DIIONNA, Preparer's signature: [Signature], Date: 9/26/2012, Check [] if self-employed, PTIN: P00999533, Firm's name: THE AYCO COMPANY, LP, Firm's EIN: 33-1187432, Firm's address: PO BOX 15014 ALBANY, NY, Phone no: 518-640-5000

**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)	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					962.	
25,411.		MERRILL LYNCH #9015 - SEE ATTACHED SCHED PROPERTY TYPE: SECURITIES 25,969.				P	VAR	VAR
		MERRILL LYNCH #9015 - SEE ATTACHED SCHED PROPERTY TYPE: SECURITIES 25,969.					-558.	
974,136.		MERRILL LYNCH #9015 - SEE ATTACHED SCHED PROPERTY TYPE: SECURITIES 883,529.				P	VAR	VAR
		MERRILL LYNCH #9015 - SEE ATTACHED SCHED PROPERTY TYPE: SECURITIES 883,529.					90,607.	
54,698.		1,000 SHARES YUM BRANDS, INC. PROPERTY TYPE: SECURITIES 14,697.				D	VAR	11/22/2011
		1,000 SHARES YUM BRANDS, INC. PROPERTY TYPE: SECURITIES 14,697.					40,001.	
20,000.		1,848 SHARES PIMCO TOTAL RETURN ADMIN SH PROPERTY TYPE: SECURITIES 20,359.				P	05/18/2011	12/05/2011
		1,848 SHARES PIMCO TOTAL RETURN ADMIN SH PROPERTY TYPE: SECURITIES 20,359.					-359.	
25,000.		2,291 SHARES PIMCO TOTAL RETURN ADMIN SH PROPERTY TYPE: SECURITIES 25,295.				P	05/18/2011	12/16/2011
		2,291 SHARES PIMCO TOTAL RETURN ADMIN SH PROPERTY TYPE: SECURITIES 25,295.					-295.	
TOTAL GAIN(LOSS)							<u>130,358.</u>	

ATTACHMENT 1

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

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>
GS ACCT #8627	438.	438.	
TOTAL	<u>438.</u>	<u>438.</u>	

ATTACHMENT 2

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

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>
ML ACCT #9015 - DIVIDENDS	8,791.	8,791.	
GS ACCT #8627 - DIVIDENDS	36,695.	36,695.	
FIDELITY ACCT #2051 - DIVIDENDS	8,447.	8,447.	
INTEREST ON PRIOR YEAR RECEIVABLE	9.	9.	
TOTAL	<u>53,942.</u>	<u>53,942.</u>	

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING FEES	4,250.			
TOTALS	<u>4,250.</u>			

4

ATTACHMENT 4

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
FEDERAL TAXES PAID	14,086.			
FOREIGN TAXES PAID	175.	175.		
TOTALS	<u>14,261.</u>	<u>175.</u>		

ATTACHMENT 5

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
BANK FEES	185.			
PROFESSIONAL FEES	3,364.			
TOTALS	<u>3,549.</u>			

ATTACHMENT 6FORM 990PF, PART II - RECEIVABLES DUE FROM OFFICERS, ETC.

BORROWER: ALAN H. RAPPAPORT
 ORIGINAL AMOUNT: 2,725.
 REPAYMENT TERMS: AS SOON AS POSSIBLE
 SECURITY PROVIDED: NONE
 PURPOSE OF LOAN: PAYMENT OF EXPENSES FOR A DISQUALIFIED PERSON
 DESCRIPTION AND FMV OF CONSIDERATION: CASH \$3,379

BEGINNING BALANCE DUE	2,725.
ENDING BALANCE DUE	<u>3,375.</u>
ENDING FAIR MARKET VALUE	<u>3,379.</u>

BORROWER: JOANNE P. PEARSON
 ORIGINAL AMOUNT: 7,040.
 REPAYMENT TERMS: AS SOON AS POSSIBLE
 SECURITY PROVIDED: NONE
 PURPOSE OF LOAN: PAYMENT OF EXPENSES FOR A DISQUALIFIED PERSON
 DESCRIPTION AND FMV OF CONSIDERATION: CASH \$7,054

ENDING BALANCE DUE	<u>7,040.</u>
ENDING FAIR MARKET VALUE	<u>7,054.</u>

TOTAL BEGINNING RECEIVABLES DUE FROM OFFICERS, ETC.	<u><u>2,725.</u></u>
TOTAL ENDING BOOK - RECEIVABLES DUE FROM OFFICERS, ETC.	<u><u>10,415.</u></u>
TOTAL ENDING FMV - RECEIVABLES DUE FROM OFFICERS, ETC.	<u><u>10,433.</u></u>

Pearson Rappaport Foundation 2011
 EIN: 06-1484929

ATTACHMENT TO 2011 FORM 990-PF
 PART II BALANCE SHEET, LINE 6 - LIST OF RECEIVABLES FROM DISQUALIFIED PERSONS

<u>Date</u>	<u>Int. Rate</u>	<u>Original Amt</u>	<u>Beginning Book Value</u>	<u>Ending Book Value</u>	<u>Ending FMV</u>	<u>Purpose of Loan</u>	<u>Borrower</u>
03/14/11	0 20%	\$ 675 00	-	675 00	676 35	PAYMENT OF EXPENSES FOR A DISQUALIFIED PERSON	Jill P. Rappaport
03/29/11	0 20%	\$ 300 00	-	300 00	300 60	PAYMENT OF EXPENSES FOR A DISQUALIFIED PERSON	Alan H. and Jill P. Rappaport
05/23/11	0 20%	\$ 800 00	-	800 00	801 60	PAYMENT OF EXPENSES FOR A DISQUALIFIED PERSON	Alan H. and Jill P. Rappaport
10/21/11	0 20%	\$ 1,600 00	-	1,600 00	1,603 20	PAYMENT OF EXPENSES FOR A DISQUALIFIED PERSON	Alan H. and Jill P. Rappaport
10/12/11	0 20%	\$ 230 00	-	230 00	230 46	PAYMENT OF EXPENSES FOR A DISQUALIFIED PERSON	Joanne P. Pearson
10/17/11	0 20%	\$ 3,000 00	-	3,000 00	3,006 00	PAYMENT OF EXPENSES FOR A DISQUALIFIED PERSON	Joanne P. Pearson
10/18/11	0 20%	\$ 450 00	-	450 00	450 90	PAYMENT OF EXPENSES FOR A DISQUALIFIED PERSON	Joanne P. Pearson
12/27/11	0 20%	\$ 3,360 00	-	3,360 00	3,366 72	PAYMENT OF EXPENSES FOR A DISQUALIFIED PERSON	Joanne P. Pearson
		\$ 10,415.00	\$ -	\$ 10,415.00	\$ 10,435.83		

FORM 990PF, PART II - CORPORATE STOCK

ATTACHMENT 7

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
GOLDMAN SACHS #8627	144,107.	2,218,831.
FIDELITY #2051	463,046.	427,644.
TOTALS	<u>607,153.</u>	<u>2,646,475.</u>

ATTACHMENT 8

FORM 990PF, PART II - OTHER ASSETS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
DIVIDEND RECEIVABLE	531.	531.
TOTALS	<u>531.</u>	<u>531.</u>

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

ATTACHMENT 9

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
JOANNE P. PEARSON C/O AYCO COMPANY - NTG PO BOX 15014 ALBANY, NY 12212-5014	TRUSTEE - AS NEEDED	0	0	0
JILL P. RAPPAPORT C/O AYCO COMPANY - NTG PO BOX 15014 ALBANY, NY 12212-5014	TRUSTEE - AS NEEDED	0	0	0
ALAN H. RAPPAPORT C/O AYCO COMPANY - NTG PO BOX 15014 ALBANY, NY 12212-5014	TRUSTEE - AS NEEDED	0	0	0
GRAND TOTALS		<u>0</u>	<u>0</u>	<u>0</u>

PEARSON-RAPPAPORT FOUNDATION

06-1484929

FORM 990FP - PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 10

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR
AND

FOUNDATION STATUS OF RECIPIENT

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

SEE ATTACHED SCHEDULE

NONE

501 (C) (3)

GENERAL CHARITABLE PURPOSE

802,910.

TOTAL CONTRIBUTIONS PAID

802,910.

**Pearson-Rappaport Foundation
Schedule of Contributions
For Year Ended 12/31/2011**

Date	Check #	Description	Contribution
03/08/11	1008	City Parks Foundation, New York, NY	2,500 00
03/09/11	1003	Graham Windham, New York, NY	15,000 00
03/11/11	1002	Teach for America, New York, NY	10,000.00
03/14/11	1001	American Museum of Natural History, New York, NY	14,325 00
03/14/11	1005	Duke University, Durham, NC	15,000 00
03/15/11	1004	NYU Langone Medical Center, New York, NY	100,000.00
03/16/11	1000	Harvard Business School, Cambridge, MA	10,000 00
03/18/11	1009	VGC Foundation, Edgartown, MA	500.00
03/22/11	1006	AIND Giant Steps, Westport, CT	7,500 00
03/23/11	1007	Music Academy of the West, Santa Barbara, CA	10,000.00
03/29/11	1010	Botanical Gardens, Bronx, NY	2,700 00
03/30/11	1011	Santa Barbara Museum of Art, Santa Barbara, CA	65,500 00
04/07/11	1013	Lost Tree Foundation, North Palm Beach, FL	10,000 00
04/19/11	1014	New York Botanical Gardens, Bronx, NY	5,000 00
04/26/11	1015	Ganna Walska Lotusland Foundation, Santa Barbara, CA	5,000 00
04/27/11	1017	Janada L Batchelor Foundation for Children, Tulsa, OK	1,000 00
05/05/11	1018	Bereavement Center of Westchester, Tuckahoe, NY	5,000 00
05/09/11	1019	Stanford University, Stanford, CA	30,000.00
05/13/11	1020	New Rochelle Humane Society, New Rochelle, NY	1,000.00
05/20/11	1022	NYU Langone Medical Center, New York, NY	100,000 00
05/23/11	1025	National Parks Conservation Assoc, New York, NY	24,200 00
05/25/11	1028	The Childrens Aid Society	5,000 00
06/02/11	1027	Lawrence Hospital Center, Bronxville, NY	5,000.00
06/16/11	1029	Woodstock Farm Animal Sanctuary	5,000 00
06/23/11	1031	Whitney Museum of American Art, New York, NY	9,515 00
06/23/11	1032	Bronxville School Foundation, Bronxville, NY	100.00
06/27/11	1024	Bronxville Beautification Council, Bronxville, NY	1,000.00
08/17/11	1035	National Mill Dog Rescue, Colorado Springs, CO	5,000 00
09/13/11	1037	Reformed Church of Bronxville, Bronxville, NY	2,500 00
09/28/11	1040	Santa Barbara Museum of Art, Santa Barbara, CA	8,000 00
10/12/11	1041	Norton Museum of Art, West Palm Beach, FL	4,770.00
10/17/11	1044	Santa Barbara Museum of Art	47,000.00
10/18/11	1043	Norton Museum of Art, West Palm Beach, FL	44,550.00
10/21/11	1046	American Museum of Natural History, New York, NY	48,400 00
10/26/11	1050	Cystic Fibrosis Foundation	1,860.00
10/27/11	1049	Guidestar, Williamsburg, VA	2,500 00
10/31/11	1048	Historic Hudson Valley, Pocantico Hills, NY	1,600 00
11/02/11	1047	NARAL, Washington, DC	1,000 00
11/16/11	1051	Lost Tree Village Charitable Foundation, N Palm Beach, FL	10,000 00
11/18/11	1053	Perm Endowment for Martha's Vineyard, Oak Bluffs, MA	1,000 00
11/21/11	1052	Destination College, Bronxville, NY	250 00
11/30/11	1054	Council on Foreign Relations, New York, NY	5,000 00
11/30/11	1056	Ganna Walska Lotusland Foundation, Santa Barbara, CA	20,000 00
11/23/11	1055	Duke University, Durham, NC	25,000 00
12/13/11	1059	American Museum of Natural History, New York, NY	5,000.00
12/20/11	1061	Hole in the Wall Gang Camps Foundation, Westport, CT	5,000 00
12/27/11	1063	Norton Museum, West Palm Beach, FL	21,640.00
01/20/11	198	President & Fellows of Harvard College, Cambridge, MA	5,000.00
02/03/11	199	Wesleyan University, Middletown, CT	70,000 00
02/07/11	201	Bereavement Center of Westchester, Tuckahoe, NY	5,000.00
02/23/11	202	Let's Get Ready, New York, NY	1,000.00
03/07/11	205	Planned Parenthood Federation of America, New York, NY	1,000.00
03/16/11	204	Middlesex School, Concord, MA	1,000 00

Total Charitable Contributions Paid

\$ 802,910.00

All contributions were made to the general purpose
fund of public charitable organizations that were classified
under section 501(c)(3) of the Internal Revenue Code.

9/25/2012

**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

2011

Name of estate or trust PEARSON-RAPPAPORT FOUNDATION	Employer identification number 06-1484929
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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	-1,212.
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 2010 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	-1,212.

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	130,608.
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	962.
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2010 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	131,570.

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

Schedule D (Form 1041) 2011

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		-1,212.
14	Net long-term gain or (loss):			
a	Total for year	14a		131,570.
b	Unrecaptured section 1250 gain (see line 18 of the wrksh.)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a ▶	15		130,358.

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	()
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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** in 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 **Schedule D Tax Worksheet** in 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 **Schedule D Tax Worksheet** in 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 2011 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 2011 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

Disclosure Statement

Do not use this form to disclose items or positions that are contrary to Treasury regulations. Instead, use Form 8275-R, Regulation Disclosure Statement. See separate instructions.
▶ Attach to your tax return.

Identifying number shown on return

PEARSON-RAPPAPORT FOUNDATION

06-1484929

Part I General Information (see instructions)

(a) Rev. Rul., Rev. Proc., etc.	(b) Item or Group of Items	(c) Detailed Description of Items	(d) Form or Schedule	(e) Line No	(f) Amount
1 N/A	SELFDEALING	SEE ATTACHED SCHEDULE	990PF PT2	6	10,415.
2 N/A	DISCLOSURE	SPLIT GIFT DONATIONS	990PF PT1	25	2,500.
3					
4					
5					
6					

Part II Detailed Explanation (see instructions)

1 SEE PART IV

2

3

4

5

6

Part III Information About Pass-Through Entity. To be completed by partners, shareholders, beneficiaries, or residual interest holders.

Complete this part only if you are making adequate disclosure for a pass-through item.

Note: A pass-through entity is a partnership, S corporation, estate, trust, regulated investment company (RIC), real estate investment trust (REIT), or real estate mortgage investment conduit (REMIC)

1 Name, address, and ZIP code of pass-through entity	2 Identifying number of pass-through entity
	3 Tax year of pass-through entity to
	4 Internal Revenue Service Center where the pass-through entity filed its return

For Paperwork Reduction Act Notice, see separate instructions.

Part IV Explanations (continued from Parts I and/or II)

#1 -DURING THE YEAR ENDING 12/31/2011, CASH DONATIONS IN THE AMOUNT OF \$814,365 WERE MADE TO CHARITABLE ORGANIZATIONS BY THE PEARSON-RAPPAPORT FOUNDATION. AS A RESULT OF MAKING THESE DONATIONS, DISQUALIFIED INDIVIDUALS ATTENDED EVENTS WHERE THEY, AT TIMES RECEIVED GOODS AND SERVICES OR OTHER BENEFITS. OF THE TOTAL DONATION AMOUNT, THE GOOD FAITH ESTIMATES OF THE FAIR MARKET VALUE OF PERSONAL BENEFITS AND GOODS AND SERVICES RECEIVED BY DISQUALIFIED PERSONS EQUALED \$11,455. EXCISE TAX ON SELF-DEALING WILL BE PAID ON THE REPORTED GOOD FAITH ESTIMATES OF THE FAIR MARKET VALUE OF THESE RECEIVED BENEFITS, AND THE DISQUALIFIED PERSONS ARE IN THE PROCESS OF REIMBURSING THE PEARSON-RAPPAPORT FOUNDATION THE REMAINING AMOUNT \$10,433 WHICH INCLUDES \$18 OF INTEREST DUE TO THE PEARSON-RAPPAPORT FOUNDATION. THE FORM 990-PF TO WHICH THIS DISCLOSURE IS ATTACHED REFLECTS THE POSITION THAT THE BALANCE IN DONATIONS IN THE AMOUNT OF \$802,910 DOES NOT CONSTITUTE SELF-DEALING BY THE DISQUALIFIED PERSONS WHO ATTENDED THE EVENTS OR RECEIVED GOODS AND SERVICES ON BEHALF OF THE PEARSON-RAPPAPORT FOUNDATION.

#2 - DURING THE YEAR ENDING 12/31/2012, THE PEARSON-RAPPAPORT FOUNDATION PAID SPLIT-GIFT DONATIONS TO VARIOUS CHARITABLE ORGANIZATIONS. THE FOUNDATION PAID THE DEDUCTIBLE PORTION FOR THESE CONTRIBUTIONS AND A PERSONAL CHECK WAS WRITTEN FOR THE FAIR MARKET VALUE OF THE RECEIVED BENEFITS.