efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93491144001032

Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2011

For calendar year 2011, or tax year beginning 01-01-2011 , and ending 12-31-2011

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
OTTO AND FRAN WALTER FOUNDATION INC

A Employer identification number
13-1625529

Number and street (or P O box number if mail is not delivered to street address) Room/suite
THE BRICK HOUSE 7 OAK STREET

B Telephone number (see page 10 of the instructions)
(207) 633-7300

City or town, state, and ZIP code
BOOTHBAY HARBOR, ME 04538

C If exemption application is pending, check here ▶ ☐
D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐
E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 12,665,407

J Accounting method ☐ Cash ☑ Accrual
☐ Other (specify) _
(Part I, column (d) must be on cash basis.)

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	341,213	341,213		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	562,111			
	b	Gross sales price for all assets on line 6a 6,855,366				
	7	Capital gain net income (from Part IV, line 2)		562,111		
	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	903,324	903,324		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	136,800	34,200		102,600
	14	Other employee salaries and wages	23,380	5,845		17,535
	15	Pension plans, employee benefits	24,215	6,054		18,161
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	15,600	7,801		7,799
	c	Other professional fees (attach schedule)	75,405	37,703		37,911
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)	21,068	3,298		9,895
	19	Depreciation (attach schedule) and depletion	4,427	0		
	20	Occupancy	17,039	4,260		12,779
	21	Travel, conferences, and meetings	49,623	12,406		37,217
	22	Printing and publications	125	31		94
	23	Other expenses (attach schedule)	20,399	4,236		16,163
	24	**Total operating and administrative expenses.** Add lines 13 through 23	388,081	115,834		260,154
	25	Contributions, gifts, grants paid	810,324			680,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	1,198,405	115,834		940,154
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-295,081			
	b	**Net investment income** (if negative, enter -0-)		787,490		
	c	**Adjusted net income** (if negative, enter -0-)				

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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing		3,259	3,259
	2	Savings and temporary cash investments	387,352	71,531	71,531
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	8,193	2,125	2,125
	10a	Investments—U S and state government obligations (attach schedule)	2,357,142	2,383,174	2,686,749
	b	Investments—corporate stock (attach schedule)	6,819,162	6,847,040	7,846,786
	c	Investments—corporate bonds (attach schedule)	1,728,576	1,843,253	1,988,879
	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 ▶ 41,924 Less accumulated depreciation (attach schedule) ▶ 20,978	20,005	20,946	20,946
	15	Other assets (describe ▶)	62,938	45,132	45,132
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	11,383,368	11,216,460	12,665,407
Liabilities	17	Accounts payable and accrued expenses	29,235	27,084	
	18	Grants payable	1,539,750	1,270,074	
	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)	1,568,985	1,297,158	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☑ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	9,814,383	9,919,302	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	9,814,383	9,919,302	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	11,383,368	11,216,460	

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	9,814,383
2	Enter amount from Part I, line 27a	2	-295,081
3	Other increases not included in line 2 (itemize) ▶	3	400,000
4	Add lines 1, 2, and 3	4	9,919,302
5	Decreases not included in line 2 (itemize) ▶	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	9,919,302

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 Additional Data Table			
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	See Additional Data Table			
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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	See Additional Data Table			
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	562,111
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8	3	

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	952,677	12,163,309	0 078324
2009	939,491	11,417,279	0 082287
2008	965,224	15,081,812	0 063999
2007	951,141	15,453,815	0 061547
2006	1,017,171	14,713,542	0 069132

2	**Total** of line 1, column (d).	2	0 355289
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 071058
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.	4	12,567,012
5	Multiply line 4 by line 3.	5	892,987
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	7,875
7	Add lines 5 and 6.	7	900,862
8	Enter qualifying distributions from Part XII, line 4.	8	940,154

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ______ **(attach copy of letter if necessary–see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b			1	7,875
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	7,875
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	7,875
6	Credits/Payments				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	10,000		
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	10,000
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ 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	2,125
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶	2,125	**Refunded** ▶	11	0

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?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ 0 **(2)** On foundation managers ▶ $ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 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.*	2		No
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*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
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?	6	Yes	
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*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ NY, ME			
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*	8b	Yes	
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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions).	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶WWW WALTERFOUNDATION ORG

14 The books are in care of ▶NEIL SUMNER CPA Telephone no ▶(212) 938-1930

Located at ▶115 WEST 29TH ST SUITE 603 NEW YORK NY ZIP+4 ▶100015060

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

			Yes	No
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?	16		No

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.

			Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☑ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		No
	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?	1c		No
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? ☐ Yes ☑ No			
	If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____ , 20____ , 20____ , 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 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.)*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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?	4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	**5b**		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		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?	**7b**		

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
FRANK G HELMAN 88 APPALACHEE ROAD BOOTHBAY HARBOR, ME 04538	PRESIDENT 30 00	60,000	0	0
MARTHA H PEAK 88 APPALACHEE ROAD BOOTHBAY HARBOR, ME 04538	VICE-PRESIDENT 30 00	45,000	0	0
CARL R GRIFFIN III 59 ATLANTIC AVE BOOTHBAY HARBOR, ME 04538	SECRETARY 0 25	1,800	0	0
FRITZ WEINSCHENK DEC'D 32312 3051 GRAND AVENUE BALDWIN, NY 11510	TREASURER 10 00	30,000	0	0

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

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

Total number of other employees paid over $50,000 ▶	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 page 23 of the instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		
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	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See page 24 of the instructions	
3	
Total. Add lines 1 through 3. . . . . ▶	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes		
a	Average monthly fair market value of securities	1a	12,344,440
b	Average of monthly cash balances	1b	413,948
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	12,758,388
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	12,758,388
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	191,376
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	12,567,012
6	**Minimum investment return.** Enter 5% of line 5	6	628,351

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

1	Minimum investment return from Part X, line 6			1	628,351
2a	Tax on investment income for 2011 from Part VI, line 5	2a	7,875		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	7,875
3	Distributable amount before adjustments Subtract line 2c from line 1			3	620,476
4	Recoveries of amounts treated as qualifying distributions			4	0
5	Add lines 3 and 4			5	620,476
6	Deduction from distributable amount (see page 25 of the instructions)			6	0
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	620,476

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	940,154
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	940,154
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	7,875
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	932,279

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

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

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				620,476
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only.			0	
b Total for prior years 20___, 20___, 20___		0		
3 Excess distributions carryover, if any, to 2011				
a From 2006. 301,119				
b From 2007. 198,918				
c From 2008. 217,663				
d From 2009. 348,620				
e From 2010. 363,796				
f **Total** of lines 3a through e.	1,430,116			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 940,154				
a Applied to 2010, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .	0			
d Applied to 2011 distributable amount.				620,476
e Remaining amount distributed out of corpus	319,678			
5 Excess distributions carryover applied to 2011 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	0			0
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,749,794			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions . . .		0		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)	0			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the instructions)	301,119			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	1,448,675			
10 Analysis of line 9				
a Excess from 2007. . . . 198,918				
b Excess from 2008. . . . 217,663				
c Excess from 2009. . . . 348,620				
d Excess from 2010. . . . 363,796				
e Excess from 2011. . . . 319,678				

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

1a 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 organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2011	**(b)** 2010	**(c)** 2009	**(d)** 2008	**(e) Total**
2a 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)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see page 27 of the instructions.)

1 Information Regarding Foundation Managers:

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

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

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

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

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

MARTHA H PEAK VICE PRESIDENT AND GR
OTTO AND FRAN WALTER FOUNDATION 7
OAK STREET
BOOTHBAY HARBOR, ME 04538
(207) 633-7300

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

E-MAIL TO GRANTS@WALTERFOUNDATION ORG REQUESTING FOUNDATION'S GUIDELINES FOR GIVING BEFORE SUBMITTING GRANT REQUEST

c Any submission deadlines

APPLICATIONS CONTINUOUSLY ACCEPTED THROUGHOUT YEAR

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

THE FOUNDATION DOES NOT MAKE GRANTS TO INDIVIDUALS OR TO ANY PROGRAM OR ORGANIZATION THAT HAS A PURELY RELIGIOUS OR ETHNIC AGENDA OR THAT DISCRIMINATES BASED ON SEX OR SEXUAL ORIENTATION

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See Additional Data Table				
Total . . . . ▶ **3a**				680,000
b *Approved for future payment*				
UNIVERSITY SETTLEMENT SOCIETY 184 ELDRIDGE STREET NEW YORK, NY 10002	N/A	PUBLIC CHARITY	CREATIVE AGING 2011	130,000
ASSOCIATION OF ISRAELIS CENTRAL EUROPEAN ORIGIN 15 RAMBAN STREET TEL AVIV 61014 IS	N/A	PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	324
Total . . . . ▶ **3b**				130,324

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities. . . .			14	341,213	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			18	562,111	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .		0		903,324	0

13 **Total.** Add line 12, columns (b), (d), and (e). 13 903,324

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)

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

		Yes	No
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 (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash.	**1a(1)**		**No**
(2) Other assets.	**1a(2)**		**No**
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	**1b(1)**		**No**
(2) Purchases of assets from a noncharitable exempt organization.	**1b(2)**		**No**
(3) Rental of facilities, equipment, or other assets.	**1b(3)**		**No**
(4) Reimbursement arrangements.	**1b(4)**		**No**
(5) Loans or loan guarantees.	**1b(5)**		**No**
(6) Performance of services or membership or fundraising solicitations.	**1b(6)**		**No**
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	**1c**		**No**

d 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

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

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 or fiduciary) is based on all information of which preparer has any knowledge

****** | 2012-05-23 | ******

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's Signature NEIL SUMNER	Date	Check if self-employed ☑	PTIN P00447769
Firm's name ▶ NEIL SUMNER CPA		Firm's EIN ▶	
Firm's address ▶ 115 WEST 29TH STREET SUITE 603 NEW YORK, NY 10001		Phone no (212) 938-1930	

May the IRS discuss this return with the preparer shown above? See instructions . . . . ▶ ☐ **Yes** ☐ **No**

Additional Data

Software ID:	
Software Version:	
EIN:	13-1625529
Name:	OTTO AND FRAN WALTER FOUNDATION INC

Form 990PF - Special Condition Description:

Special Condition Description

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
1,990 AGCO CORP	P	2010-08-11	2011-07-08
7,210 AT&T	P	2005-12-09	2011-12-23
40 ACCENTURE PLC CL A	P	2011-04-01	2011-07-08
60 ALASKA AIR GROUP INC	P	2011-01-31	2011-07-08
1,360 ALLIED WORLD ASSURANCE	P	2010-09-24	2011-04-01
890 AMERICAN EXPRESS	P	2009-06-17	2011-02-07
230 AMERIPRISE FINANCIAL INC	P	2008-12-29	2011-05-23
2,620 AMERISOURCEBERGEN	P	2009-07-09	2011-11-22
280 AMERN FINANCIAL GROUP	P	2010-09-10	2011-07-08
1,867 AMGEN INCORPORATED	P	2008-09-17	2011-12-14
140 APPLE INC	P	2009-10-29	2011-07-08
2,570 ASCENA RETAIL GROUP INC	P	2011-06-21	2011-09-19
2,840 ATMEL CORP	P	2011-06-09	2011-08-16
290 ATMOS ENERGY CORP	P	2010-07-02	2011-07-08
170 AUTOZONE INC	P	2009-11-11	2011-03-02
660 BAKER HUGHES INC	P	2011-08-03	2011-12-02
1,890 BMC SOFTWARE INC	P	2010-11-29	2011-10-17
910 BOSTON PROPERTIES INC	P	2010-09-10	2011-01-14
2,130 BRISTOL-MYERS SQUIBB CO	P	2010-07-06	2011-07-08
3,890 CA INC	P	2010-01-22	2011-10-17
10 CABOT OIL & GAS	P	2011-06-09	2011-07-08
870 CAPITAL ONE FINANCE	P	2009-09-16	2011-09-21
760 CATERPILLAR INC	P	2011-07-11	2011-12-02
1,960 CBS CORPORATION CL B NEW	P	2010-02-17	2011-07-08
80 CENTERPOINT ENERGY INC	P	2011-06-24	2011-07-08
1,130 CEPHALON INC	P	2010-03-19	2011-03-02
450 CHEVRON TEXACO COR	P	2004-07-02	2011-11-22
2,214 CISCO SYSTEMS INC	P	2004-07-21	2011-05-09
1,690 CITIGROUP INC	P	2010-11-10	2011-07-08
490 CMS ENERGY CORP	P	2010-11-03	2011-07-08

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
550 COACH INC	P	2010-09-24	2011-07-08
980 COCA COLA	P	2009-11-12	2011-07-08
280 CONOCOPHILLIPS	P	2007-09-26	2011-07-08
2,100 CROWN HOLDINGS INC	P	2011-08-08	2011-10-11
190 CUMMINS INC	P	2010-02-10	2011-07-08
2,420 DANA HOLDING CORPORATION	P	2011-05-09	2011-09-12
1,600 DEERE & CO	P	2010-03-19	2011-07-01
630 DEVON ENERGY CP NEW	P	2010-11-16	2011-09-21
50 DIRECTV CL A	P	2011-05-13	2011-07-08
30 DISCOVER FINANCIAL SVCS	P	2011-07-01	2011-07-08
270 DR PEPPER SNAPPLE CO	P	2009-05-06	2011-07-08
2,300 DU PONT E I DE NEMOUR & CO	P	2011-02-07	2011-06-08
660 DUN & BRADSTREET CP NEW	P	2010-09-24	2011-03-01
3,620 EAST WEST BANCORP	P	2011-02-09	2011-09-16
1,150 EASTMAN CHEMICAL CO	P	2008-07-15	2011-09-16
2,510 ENDO PHARM HOLDINGS INC	P	2010-09-10	2011-05-27
550 ENERGIZER HOLDING INC	P	2010-09-10	2011-02-18
3,720 EXCO RESOUCES INC	P	2009-12-18	2011-02-07
390 EXXON MOBIL CORP	P	2005-11-14	2011-07-08
3,700 FIFTH THIRD BANCORP	P	2009-08-07	2011-04-28
110 FOOT LOCKER INC	P	2011-03-28	2011-07-08
2,070 GAP INC	P	2010-12-07	2011-05-25
4,860 GENERAL ELECTRIC CO	P	2004-07-02	2011-08-24
270 GILEAD SCIENCES INC	P	2010-11-09	2011-07-08
4,720 GOODYEAR TIRE & RUBBER	P	2010-04-27	2011-02-18
10 GOOGLE INC CLASS A	P	2009-10-28	2011-01-14
3,040 HALLIBURTON CO HLDG CO	P	2010-07-28	2011-07-08
2,010 HARLEY DAVIDSON INC	P	2011-06-09	2011-12-02
20 HELMERICH & PAYNE INC	P	2011-06-08	2011-07-08
40 HERSHEY COMPANY	P	2011-02-18	2011-07-08

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
3,785 HEWLETT-PACKARD CO	P	2004-11-09	2011-06-08
310 HONEYWELL INTERNATIONAL	P	2010-05-07	2011-07-08
2,360 IAC/INTERACTIVE CORP NEW	P	2011-03-01	2011-12-02
2,010 INTEL CORP	P	2009-04-16	2011-09-06
1,030 INTERNATIONAL BUSINESS MACHINES CORP	P	2006-02-14	2011-10-25
3,550 INTERNATIONAL PAPER	P	2009-06-10	2011-03-25
760 J B HUNT TRANSPORT SVCS	P	2010-08-24	2011-09-21
1,990 JOHNSON & JOHNSON	P	2004-07-14	2011-10-25
1,000 JOY GLOBAL INC	P	2011-06-24	2011-10-17
260 JPMORGAN CHASE & CO	P	2010-11-09	2011-07-08
150 KBR INC	P	2011-01-19	2011-07-08
1,110 LIMITED BRANDS INC	P	2010-11-26	2011-11-15
20 M&T BANK CORPORATION	P	2011-05-27	2011-07-08
400 MACYS INC	P	2009-09-09	2011-07-08
210 MARATHON OIL CORP	P	2010-05-21	2011-07-08
20 MARATHON PETE CORP	P	2011-07-01	2011-07-08
90 MCDONALDS CORP	P	2006-03-13	2011-07-08
1,600 MEDCOHEALTH SOLUTIONS	P	2007-06-18	2011-08-01
2,470 MICROSOFT CORP	P	2004-11-09	2011-11-15
1,130 MONSANTO CO NEW DEL	P	2011-02-09	2011-05-06
4,630 NEW YORK COUNTY BANCORP	P	2010-06-09	2011-01-14
2,990 NORTHEAST UTILITIES	P	2010-05-21	2011-06-09
3,300 ORACLE CORPORATION	P	2011-07-01	2011-09-06
140 PPG INDUSTRIES INC	P	2010-08-11	2011-07-08
850 PANERA BREAD CO CL A	P	2010-11-16	2011-08-01
1,380 PARKER-HANNIFIN CORP	P	2010-01-20	2011-08-05
1,060 PEPSICO INCORPORATED	P	2011-07-15	2011-10-25
60 PFIZER INCORPORATED	P	2011-06-09	2011-07-08
590 PIONEER NATURAL RES CO	P	2010-06-09	2011-08-01
950 PROCTER AND GAMBLE	P	2008-11-20	2011-11-14

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
980 PRUDENTIAL FINANCIAL	P	2009-06-15	2011-04-18
2,880 QUALCOMM INC	P	2010-11-29	2011-08-24
1,540 QUEST DIAGNOSTIC INC	P	2011-03-28	2011-08-01
2,650 RAYMOND JAMES FINANCIAL INC	P	2010-11-10	2011-08-19
1,680 ROCKWELL AUTOMATION INC	P	2010-02-08	2011-07-11
2,230 SEMPRA ENERGY	P	2011-03-28	2011-06-24
1,030 SIMON PROPERTY GROUP NEW REIT	P	2010-11-26	2011-03-01
3,030 SUNTRUST BANKS INC	P	2011-03-25	2011-08-19
90 SYMANTEC CORP	P	2011-05-27	2011-07-08
80 TECO ENERGY	P	2011-06-06	2011-07-08
3,820 TEXAS INSTRUMENTS INC	P	2010-04-12	2011-08-09
200 TRAVELERS COMPANIES INC	P	2010-10-27	2011-07-08
1,280 TUPPERWARE BRANDS CORP	P	2011-06-08	2011-09-16
2,250 UNITED PARCEL SERVICE	P	2010-03-01	2011-08-01
690 UNITEDHEALTH GROUP INC	P	2010-11-26	2011-08-24
3,320 VERIZON COMMUNICATIONS	P	2010-09-24	2011-10-05
2,050 WADDELL & REED FINL CL A	P	2011-03-01	2011-06-09
370 WATERS CORP	P	2010-05-28	2011-09-16
2,950 WATSON PHARMACEUTICALS	P	2010-04-27	2011-07-08
720 WEBMD HEALTH CORP	P	2011-03-02	2011-05-17
3,830 WELLS FARGO & CO NEW	P	2010-02-08	2011-06-09
720 WHITING PETROLEUM CORP	P	2010-11-10	2011-06-24
100,000 METLIFE INC 6 125% DUE 12/1/11	P	2004-10-15	2011-12-01
150,000 MCDONALDS CORP 5 75% DUE 3/1/12	P	2004-11-22	2011-06-16
100,000 LOWES 5 6% DUE 09/15/12	P	2008-08-22	2011-08-19
100,000 FHLMB 4 625% DUE 8/15/12	P	2005-03-09	2011-10-11

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
96,315		72,465	23,850
201,848		188,847	13,001
2,253		2,158	95
3,901		3,668	233
83,812		76,993	6,819
38,962		25,236	13,726
13,901		10,080	3,821
98,186		47,044	51,142
9,509		8,276	1,233
102,696		115,924	-13,228
47,970		30,276	17,694
71,422		79,602	-8,180
29,770		40,221	-10,451
9,467		7,913	1,554
43,260		26,773	16,487
33,933		51,089	-17,156
71,910		87,660	-15,750
78,218		79,390	-1,172
54,883		53,277	1,606
85,162		87,653	-2,491
666		559	107
38,274		40,593	-2,319
65,765		82,607	-16,842
50,993		26,461	24,532
1,569		1,513	56
63,743		79,763	-16,020
44,366		31,608	12,758
39,152		48,864	-9,712
9,952		9,545	407
9,400		8,978	422

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
34,109		22,986	11,123
66,171		53,403	12,768
20,135		20,091	44
64,629		75,749	-11,120
20,514		9,502	11,012
30,868		42,311	-11,443
141,189		93,175	48,014
43,276		45,150	-1,874
2,567		2,467	100
796		769	27
10,065		7,980	2,085
116,398		119,434	-3,036
53,849		47,418	6,431
59,618		81,423	-21,805
87,447		78,615	8,832
100,595		71,713	28,882
38,362		36,583	1,779
74,858		76,692	-1,834
30,718		18,325	12,393
48,490		36,413	12,077
2,397		2,028	369
40,302		44,390	-4,088
81,292		95,721	-14,429
10,528		11,264	-736
67,713		66,539	1,174
6,149		5,550	599
125,677		99,997	25,680
71,693		80,168	-8,475
1,341		1,279	62
2,202		1,986	216

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
139,806		120,863	18,943
17,392		14,840	2,552
94,937		77,427	17,510
41,306		38,369	2,937
174,722		99,547	75,175
98,228		56,667	41,561
31,077		25,508	5,569
123,250		124,099	-849
80,282		87,167	-6,885
11,342		10,270	1,072
5,589		4,633	956
42,431		37,369	5,062
1,750		1,736	14
9,920		9,522	398
8,915		6,407	2,508
834		523	311
6,884		4,636	2,248
101,529		64,347	37,182
65,505		71,525	-6,020
76,222		84,193	-7,971
85,617		73,066	12,551
101,147		80,089	21,058
85,811		105,302	-19,491
12,148		9,651	2,497
102,340		81,487	20,853
108,053		80,736	27,317
65,693		73,318	-7,625
1,237		1,245	-8
56,042		38,982	17,060
60,762		60,789	-27

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
59,601		39,000	20,601
149,997		137,854	12,143
84,855		85,635	-780
73,793		80,220	-6,427
144,959		94,248	50,711
118,950		117,344	1,606
108,451		101,508	6,943
59,533		88,837	-29,304
1,769		1,684	85
1,513		1,521	-8
114,908		95,117	19,791
11,302		11,066	236
72,049		81,529	-9,480
161,971		134,305	27,666
29,795		24,987	4,808
122,450		113,376	9,074
72,683		82,268	-9,585
29,326		23,826	5,500
25,307		19,380	5,927
36,309		41,041	-4,732
104,023		107,731	-3,708
41,264		39,385	1,879
100,000		100,000	0
155,564		151,972	3,592
105,421		100,891	4,530
103,596		100,060	3,536

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** 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	
			23,850
			13,001
			95
			233
			6,819
			13,726
			3,821
			51,142
			1,233
			-13,228
			17,694
			-8,180
			-10,451
			1,554
			16,487
			-17,156
			-15,750
			-1,172
			1,606
			-2,491
			107
			-2,319
			-16,842
			24,532
			56
			-16,020
			12,758
			-9,712
			407
			422

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** 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	
			11,123
			12,768
			44
			-11,120
			11,012
			-11,443
			48,014
			-1,874
			100
			27
			2,085
			-3,036
			6,431
			-21,805
			8,832
			28,882
			1,779
			-1,834
			12,393
			12,077
			369
			-4,088
			-14,429
			-736
			1,174
			599
			25,680
			-8,475
			62
			216

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** 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	
			18,943
			2,552
			17,510
			2,937
			75,175
			41,561
			5,569
			-849
			-6,885
			1,072
			956
			5,062
			14
			398
			2,508
			311
			2,248
			37,182
			-6,020
			-7,971
			12,551
			21,058
			-19,491
			2,497
			20,853
			27,317
			-7,625
			-8
			17,060
			-27

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** 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	
			20,601
			12,143
			-780
			-6,427
			50,711
			1,606
			6,943
			-29,304
			85
			-8
			19,791
			236
			-9,480
			27,666
			4,808
			9,074
			-9,585
			5,500
			5,927
			-4,732
			-3,708
			1,879
			0
			3,592
			4,530
			3,536

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
MT OLIVE AME CHURCH600 JONES STREET CLEARWATER, FL 33755	N/A	PUBLIC CHARITY	TO REPLACE FOOD PANTRY FLOOR	68,000
MUSKINGUM COLLEGE163 STORMONT STREET NEW CONCORD, OH 43762	N/A	PUBLIC CHARITY	DONATION OF PAINTING OF THE WALTERS TO BE HUNG IN WALTER HALL AT COST	40,000
UNIVERSITY SETTLEMENT SOCIETY184 ELDRIDGE STREET NEW YORK, NY 10002	N/A	PUBLIC CHARITY	CREATIVE AGING 2011	65,000
COOPERATIVE FOR EDUCATION 2730 HYDE PARK AVENUE CINCINNATI, OH 45209	N/A	PUBLIC CHARITY	TO SUPPORT THE CULTURE OF READING PROGRAM	25,000
EUROPEAN UNION STUDIES CENTER THE GRADUATE CENTER FOUNDATION365 FIFTH AVENUE NEW YORK, NY 10016	N/A	PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	100,000
FED ASSOC INFO & ADVICE FOR NAZI VICTIMHOLWEIDER STR 13-15 COLOGNE 51065 GM	N/A	PUBLIC CHARITY	TO AID NAZI VICTIMS, TO OBTAIN GOV'T BENEFITS	10,000
FRIENDS OF THE JEWISH MUSEUM BERLIN227 RIDGEVIEW ROAD PRINCETON, NJ 08540	N/A	PUBLIC CHARITY	TO FUND A TEMPORARY ARCHIVAL POSITION	10,000
MANNES COLLEGE OF MUSIC150 WEST 85TH STREET NEW YORK, NY 10024	N/A	PUBLIC CHARITY	TO FUND CONCERTS IN NURSING HOMES, SENIOR CENTERS AN	28,500
METROPOLITAN OPERA NYC LINCOLN CENTER NEW YORK, NY 10023	N/A	PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	7,000
MUSKINGUM COLLEGE163 STORMONT STREET NEW CONCORD, OH 43762	N/A	PUBLIC CHARITY	TO SUPPORT CONSTRUCTION OF NEW BUILDING FOR MUSIC	326,500
Total . . . . ▶ **3a**				680,000

Form 990PF Part XV Line 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
b *Approved for future payment*				
UNIVERSITY SETTLEMENT SOCIETY 184 ELDRIDGE STREET NEW YORK, NY 10002	N/A	PUBLIC CHARITY	CREATIVE AGING 2011	130,000
ASSOCIATION OF ISRAELIS CENTRAL EUROPEAN ORIGIN15 RAMBAN STREET TEL AVIV 61014 IS	N/A	PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	324
Total . . . . ▶ **3b**				130,324

TY 2011 Accounting Fees Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
QUARTERLY ACCOUNTING	6,675	3,338		3,337
PREPARATION OF FINANCIAL STMTS	4,375	2,188		2,187
TAX REPORT SERVICES	4,550	2,275		2,275

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2011 Depreciation Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
FURNITURE	2004-09-01	3,177	2,875	SL	7 000000000000	302	0		
COMPUTERS	2005-06-14	2,127	2,127	SL	5 000000000000	0	0		
FURNITURE	2005-03-03	1,122	934	SL	7 000000000000	160	0		
EQUIPMENT	2006-07-01	3,024	2,722	SL	5 000000000000	302	0		
FURNITURE & FIXTURES	2007-07-01	8,049	4,025	SL	7 000000000000	1,150	0		
OFFICE EQUIPMENT	2007-07-01	1,091	763	SL	5 000000000000	218	0		
FURNITURE & FIXTURES	2008-02-06	1,470	613	SL	7 000000000000	210	0		
COMPUTERS	2008-05-07	1,593	850	SL	5 000000000000	319	0		
DRIVEWAY	2008-11-17	9,300	1,292	SL	15 000000000000	620	0		
FILING CABINET	2009-03-27	1,102	275	SL	7 000000000000	157	0		
COMPUTERS	2010-11-16	4,501	75	SL	5 000000000000	900	0		
COMPUTERS	2011-11-28	5,368		SL	5 000000000000	89	0		

TY 2011 Investments Corporate Bonds Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

Name of Bond	End of Year Book Value	End of Year Fair Market Value
250,000 GE CAPITAL 5.4% DUE 02/15/2017	250,629	278,960
150,000 GOLDMAN SACHS 5.25% DUE 10/15/2013	150,964	153,453
100,000 HONEYWELL 5.3% DUE 03/01/2018	105,871	118,144
150,000 IBM 5.7% DUE 09/14/2017	154,683	181,720
150,000 ORACLE 5% DUE 07/08/2019	156,217	176,110
150,000 TARGET CORPORATION 5.875% DUE 07/15/2016	154,176	178,502
150,000 JP MORGAN CHASE 6% DUE 01/15/2018	159,902	168,073
100,000 MEDTRONIC 4.75% DUE 09/15/2015	105,391	112,687
125,000 FRANKLIN RESOURCES 3.125% DUE 05/20/2015	130,600	129,975
100,000 TN VLY AUTH 4.375% DUE 06/15/2015	107,027	112,008
150,000 MCDONALDS CORP 3.5% DUE 07/15/2020	151,920	161,959
100,000 LOWES COMPANIES 3.75% DUE 04/15/2021	104,116	103,503
100,000 TENN VALLEY AUT 3.875% DUE 02/15/2021	111,757	113,785

TY 2011 Investments Corporate Stock Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

Name of Stock	End of Year Book Value	End of Year Fair Market Value
1,425 A T & T	37,324	43,092
1,700 AMERIPRISE FINANCIAL INC.	74,510	84,388
2,140 AMERN FINANCIAL GROUP	63,251	78,945
73 AMGEN INCORPORATED	4,532	4,687
840 APPLE INC	181,654	340,200
2,250 ATMOS ENERGY CORP	61,392	75,038
160 AUTOZONE INC	25,198	51,995
3,380 BRISTOL-MYERS SQUIBB CO	91,723	119,111
3,700 CBS CORPORATION CL B NEW	49,952	100,418
1,050 CAPITAL ONE FINANCE	49,430	44,405
2,204 CHEVRON TEXACO COR	158,038	234,506
8,210 CISCO SYSTEMS INC	145,526	148,437
1,637 CITIGROUP INC	73,018	43,069
3,850 CMS ENERGY CORP	70,540	85,008
1,440 COACH INC	60,181	87,898
2,090 CONOCOPHILLIPS	149,966	152,298
600 CUMMINS INC	30,006	52,812
810 DEVON ENERGY CP NEW	58,050	50,220
2,090 DR PEPPER SNAPPLE CO	61,776	82,513
3,315 EXXON MOBIL CORP	165,894	280,979
7,535 GENERAL ELECTRIC CO	144,738	131,191
2,460 GILEAD SCIENCES INC	102,581	100,688
310 GOOGLE INC CLASS A	170,075	200,229
2,870 HEWLETT-PACKARD CO	70,392	73,931
2,440 HONEYWELL INTERNATIONAL	116,805	132,614
5,610 INTEL CORP	110,730	136,043
1,135 INTERNATIONAL BUSINESS MACHINES CORP	116,381	208,704
1,330 J B HUNT TRANSPORT SVCS	44,639	59,943
1,940 JOHNSON & JOHNSON	123,235	127,225
2,040 JPMORGAN CHASE & CO	80,579	67,830

Name of Stock	End of Year Book Value	End of Year Fair Market Value
1,850 LIMITED BRANDS INC	62,210	74,647
3,110 MACYS INC FKA FEDERATED DEPT STORES INC	74,036	100,080
3,210 MARATHON OIL CORP	74,728	93,957
710 MCDONALDS CORP	36,574	71,234
8,060 MICROSOFT CORP	232,787	209,238
1,110 PARKER-HANNIFIN CORP	86,422	84,637
1,030 P P G INDUSTRIES INC	71,006	85,995
650 PROCTER AND GAMBLE	41,592	43,361
870 SIMON PROPERTY GROUP NEW REIT	99,006	112,178
1,550 TRAVELERS COMPANIES INC	85,759	91,713
2,350 UNITEDHEALTH GROUP INC	85,100	119,098
1,950 VERIZON COMMUNICATIONS	66,860	78,234
770 WATERS CORP	49,584	57,018
1,460 WATSON PHARMACEUTICALS	62,875	88,096
730 ACCENTURE PLC CL A F	39,371	38,858
6,640 ACTIVISION BLIZZARD INC	71,645	81,805
610 AIRGAS INC	39,622	47,629
1,300 ALASKA AIR GROUP INC DE	79,453	97,617
480 BIOGEN IDEC INC	43,336	52,824
710 CABOT OIL & GAS	39,682	53,889
1,530 CELGENE CORP	92,023	103,428
4,390 CENTERPOINT ENERGY INC	83,019	88,195
1,390 CHUBB CORPORATION	83,705	96,216
2,130 DIRECTV CL A	105,094	91,079
3,560 DISCOVER FINANCIAL SVCS	91,397	85,440
3,310 FOOT LOCKER	66,769	78,910
400 FOSSIL INC	38,813	31,744
1,330 HELMERICH & PAYNE INC	85,023	77,619
810 HERSHEY COMPANY	40,204	50,042
3,330 HOME DEPOT	108,567	139,993

Name of Stock	End of Year Book Value	End of Year Fair Market Value
2,550 KBR INC	78,750	71,069
11,330 KEYCORP INC NEW	81,461	87,128
1,620 KOHLS CORP	84,265	79,947
2,290 KRAFT FOODS INC	80,525	85,554
1,310 M&T BANK CORPORATION	114,108	100,005
805 MARATHON PETE CORP	21,034	26,798
290 MASTERCARD INC	97,891	108,118
1,130 MCKESSON CORPORATION	89,643	88,038
110 N V R INC	79,417	75,460
1,540 NASDAQ OMX GROUP INC	39,109	37,745
690 NATIONAL OILWELL VARCO	46,779	46,913
1,100 NIKE INC CLASS B	103,250	106,007
2,760 ORACLE CORPORATION	87,732	70,794
5,450 PFIZER INCORPORATED	110,374	117,938
2,300 PHILIP MORRIS INTL INC	160,651	180,504
1,070 PUB SVC ENT GROUP INC	33,939	35,321
6,460 SYMANTEC CORP	115,247	101,099
4,420 TECO ENERGY INC	84,055	84,599
2,060 TYCO INTL LTD NEW	86,348	96,223
1,610 UNITED TECHNOLOGIES CORP	123,215	117,675
2,310 VERISIGN INC	81,360	82,513
2,630 WESTERN DIGITAL CORP	81,474	81,399
1,130 WYNDHAM WORLDWIDE CORP	38,035	42,748

TY 2011 Investments Government Obligations Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

US Government Securities - End of Year Book Value:	2,383,174
US Government Securities - End of Year Fair Market Value:	2,686,749
State & Local Government Securities - End of Year Book Value:	0
State & Local Government Securities - End of Year Fair Market Value:	0

TY 2011 Land, Etc. Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
FURNITURE	3,177	3,177		0
COMPUTERS	2,127	2,127		0
FURNITURE	1,122	1,094	28	0
EQUIPMENT	3,024	3,024		0
FURNITURE & FIXTURES	8,049	5,175	2,874	0
OFFICE EQUIPMENT	1,091	981	110	0
FURNITURE & FIXTURES	1,470	823	647	0
COMPUTERS	1,593	1,169	424	0
DRIVEWAY	9,300	1,912	7,388	0
FILING CABINET	1,102	432	670	0
COMPUTERS	4,501	975	3,526	0
COMPUTERS	5,368	89	5,279	0

TY 2011 Other Assets Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
SECURITY DEPOSIT - RENT	960	960	960
ACCRUED INVESTMENT INCOME	41,978	44,172	44,172
PAINTING	20,000	0	0

TY 2011 Other Expenses Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TEL, COMPUTER & INTERNET	6,778	1,695		5,083
INSURANCE	1,574	394		1,180
OFFICE & POSTAGE	8,590	2,147		6,443
DUES,FEES & PERMITS	3,457	0		3,457

TY 2011 Other Increases Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

Description	Amount
ACCRUED GRANTS PAID	400,000

TY 2011 Other Professional Fees Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT ADVICE	75,405	37,703		37,911

TY 2011 Taxes Schedule

Name: OTTO AND FRAN WALTER FOUNDATION INC

EIN: 13-1625529

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXCISE	7,875	0		0
PAYROLL	13,193	3,298		9,895