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

OMB No 1545-0052

2011Department of the Treasury
Internal Revenue Service

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

For calendar year 2011, or tax year beginning

, 2011, and ending

Name of foundation LERNER FAMILY FOUNDATION		A Employer identification number 20-2550588
Number and street (or P O box number if mail is not delivered to street address) 1545 Hillview Avenue	Room/suite	B Telephone number (see the instructions) (941) 487-7850
City or town SARASOTA	State ZIP code FL 34239	C If exemption application is pending, check here ☐
G Check all that apply ☐ Initial return ☐ Final return ☒ Address change	☐ Initial Return of a former public charity ☐ Amended return ☐ Name change	D 1 Foreign organizations, check here ☐ 2 Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation	E If private foundation status was terminated under section 507(b)(1)(A), check here ☐	
I Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 1,505,843.	J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see 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 (att sch)	1,250.			
2 Ck ☒ if the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	37,874.	37,697.	37,697.	
5a Gross rents				
b Net rental income or (loss)		L-6a Stmt		
6a Net gain/(loss) from sale of assets not on line 10	-2,755.			
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)		0.		
8 Net short-term capital gain			0.	
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit/(loss) (att sch)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	36,369.	37,697.	37,697.	
OPERATING AND ADMINISTRATIVE EXPENSES				
13 Compensation of officers, directors, trustees, etc		0.		
14 Other employee salaries and wages		0.		
15 Pension plans, employee benefits		0.		
16a Legal fees (attach schedule) L-16a Stmt	2,670.	2,670.	2,670.	
b Accounting fees (attach sch)				
c Other prof fees (attach sch) L-16c Stmt	6,009.	6,009.	6,009.	
17 Interest				
18 Taxes (attach schedule) (see instrs) See Line 18 Stmt	501.	501.	501.	
19 Depreciation (attach sch) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)				
MISC	432.	432.	432.	
24 Total operating and administrative expenses. Add lines 13 through 23	9,612.	9,612.	9,612.	
25 Contributions, gifts, grants paid	240,000.			240,000.
26 Total expenses and disbursements. Add lines 24 and 25	249,612.	9,612.	9,612.	240,000.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-213,243.			
b Net investment income (if negative, enter -0)		28,085.		
c Adjusted net income (if negative, enter -0)			28,085.	

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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		47,683.	26,913.	26,913.
	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)				
	7	Other notes and loans receivable (attach sch)				
		Less allowance for doubtful accounts				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments — U S and state government obligations (attach schedule)				
	b	Investments — corporate stock (attach schedule) L-10b Stmt		493,734.	1,483,444.	1,478,930.
	c	Investments — corporate bonds (attach schedule)		1,182,183.		
	LIABILITIES	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)				
16		Total assets (to be completed by all filers — see the instructions. Also, see page 1, item I)		1,723,600.	1,510,357.	1,505,843.
17		Accounts payable and accrued expenses				
18		Grants payable				
NET FUND ASSETS OR FUND BALANCES	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe)				
	23	Total liabilities (add lines 17 through 22)				
		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ☒				
	24	Unrestricted		1,723,600.	1,510,357.	
	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, building, and equipment fund					
29	Retained earnings, accumulated income, endowment, or other funds					
30	Total net assets or fund balances (see instructions)		1,723,600.	1,510,357.		
31	Total liabilities and net assets/fund balances (see instructions)		1,723,600.	1,510,357.		

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	1,723,600.
2	Enter amount from Part I, line 27a	2	-213,243.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	1,510,357.
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	1,510,357.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a VARIOUS SECURITIES		P	Various	Various
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 919,527.	b 0.	c 922,282.	d -2,755.
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			-2,755.
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	-2,755.
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	-2,755.

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 (column (b) divided by column (c))
2010	147,404.	1,723,600.	0.085521
2009	150,161.	1,834,605.	0.081849
2008	194,873.	2,040,637.	0.095496
2007	152,639.	2,256,737.	0.067637
2006	158,642.	2,199,645.	0.072122

2 Total of line 1, column (d)	2	0.402625
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	0.080525
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,483,257.
5 Multiply line 4 by line 3	5	119,439.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	281.
7 Add lines 5 and 6	7	119,720.
8 Enter qualifying distributions from Part XII, line 4	8	240,000.

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.

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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 ☐ and enter 'N/A' on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary – see instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	281.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	281.
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	281.
6 Credits/Payments			
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6 a		
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7		
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		281.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		0.
11 Enter the amount of line 10 to be Credited to 2012 estimated tax ☐ Refunded ☐	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>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</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ☐ \$ _____ (2) On foundation managers ☐ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>FL - Florida</u>		
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 <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>	X	

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
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)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>DONALD LERNER</u> Telephone no <u>(941) 487-7850</u> Located at <u>1545 Hillview Avenue</u> <u>SARASOTA</u> <u>FL</u> ZIP + 4 <u>34239-2027</u>			
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 <u>15</u>			
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		X
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 instructions)? Organizations relying on a current notice regarding disaster assistance check here <u>1b</u>		X
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?		X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 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 <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>	☐ Yes ☒ No	
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 <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
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)		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?		X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to**(1)** Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?☐ Yes ☒ No**(2)** Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?☐ Yes ☒ No**(3)** Provide a grant to an individual for travel, study, or other similar purposes?☐ Yes ☒ No**(4)** Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see 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)?**5b**

Organizations relying on a current notice regarding disaster assistance check here

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

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

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

If 'Yes' to 6b, file Form 8870.

X

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 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
DONALD LERNER (SUB CONTRIBUTOR)) 1545 Hillview Avenue SARASOTA FL 34239	DIRECTOR 3.00	0.	0.	0.
SHARON LERNER, 1545 HILLVIEW AVENUE SARASOTA FL 34239	DIRECTOR 3.00	0.	0.	0.
BRITTNEY BEZIRGAN, 2955 N RACINE, CHICAGO, IL 60657	DIRECTOR 3.00	0.	0.	0.
See Information about Officers, Directors, Trustees, Etc.		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
NONE				
0				
0				
0				
0				

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

None

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		
Total number of others receiving over \$50,000 for professional services		None

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 NONE	
	0.
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 NONE	
	0.
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	None

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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	1,505,845.
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,505,845.
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	1,505,845.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	22,588.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,483,257.
6	Minimum investment return. Enter 5% of line 5	6	74,163.

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	74,163.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	281.
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	281.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	73,882.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	73,882.
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	73,882.

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	240,000.
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	240,000.
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	281.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	239,719.

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.

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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				73,882.
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__				
3 Excess distributions carryover, if any, to 2011				
a From 2006	159,650.			
b From 2007	154,783.			
c From 2008	195,283.			
d From 2009	150,500.			
e From 2010	147,500.			
f Total of lines 3a through e	807,716.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 240,000.				
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				
e Remaining amount distributed out of corpus	240,000.			
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	1,047,716.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount — see instructions			0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				73,882.
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)	159,650.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	888,066.			
10 Analysis of line 9				
a Excess from 2007	154,783.			
b Excess from 2008	195,283.			
c Excess from 2009	150,500.			
d Excess from 2010	147,500.			
e Excess from 2011	240,000.			

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

N/A

- 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 foundation is a private operating foundation described in section

☐ 4942(1)(3) or

4942(1)(5)

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

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 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))

DONALD LERNER - NO GOODS OR SERVICES WERE RECEIVED BY THE DONOR.

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

NONE

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

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

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

- 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
a Paid during the year				
BEECH BROOK 3737 Lander Rd. CLEVELAND, OH 44124 CAMP BOGGY CREEK 30500 BRANTLEY BRANCH RD EUSTIS, FL 32736 CLEVELAND CHRISTIAN HOME 2202 PRAME AVE CLEVELAND, OH 44109 BOY'S TOWN OF CENTRAL FLORIDA 37 ALAFAYA WOODS BLVD OVIEDO, FL 32765 HEPHZIBAH CHILDRENS ASSO. 1144 Lake St # 5 OAK PARK, IL 60301 LUTHERAN CHILD & FAMILY SERVICES 7620 MADISON RIVER FOREST, IL 60305 MARYHURST, INC. 1015 DORSEY LAND LOUISVILLE KY 40223 NEIGHBOR TO FAMILY 220 S RIDGEWOOD #260 DAYTONA BEACH FL 32114 OUR CHILDREN'S HOMESTEAD 387 SHUMAN BLVD, NAPERVILLE, IL 60563 See Line 3a statement		501 (C) (3) 501 (C) (3) 501 (C) (3) 501 (C) (3) 501 (C) (3) 501 (C) (3) 501 (C) (3) 501 (C) (3) 501 (C) (3) 501 (C) (3) 501 (C) (3) 501 (C) (3) 501 (C) (3)	TRANSITION FROM FOSTER CARE FOSTER CHILDREN & OTHERS AID FOR SERIOUSLY ILL CHILDREN CHILDRENS CARE EMERGENCY NEEDS YOUTH CARE SIBLING CAMP PROGRAM FOSTER PARENT RECRUITMENT CHILD CARE THERAPY PROGRAMS FOSTER PARENT RECRUITMENT EDUCATION FOR FOSTER CHILDREN	15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 15,000. 105,000.
Total				240,000.
b Approved for future payment				
Total				3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1	Program service revenue					
a	N/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					37,874.
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					-2,755.
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)					35,119.
13	Total. Add line 12, columns (b), (d), and (e)					35,119.

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

Form 990-PF
Part I, Line 6a

Net Gain or Loss From Sale of Assets

2011

Name LERNER FAMILY FOUNDATION	Employer Identification Number 20-2550588
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Asset Information:

Description of Property		BROKER AND BARTER EXCHANGE TRANSACTIONS	
Date Acquired	Various	How Acquired	Purchased
Date Sold	Various	Name of Buyer	SECURITIES MARKETS
Sales Price	919,527.	Cost or other basis (do not reduce by depreciation)	922,282.
Sales Expense		Valuation Method	
Total Gain (Loss)	-2,755.	Accumulation Depreciation	

Description of Property			
Date Acquired		How Acquired	
Date Sold		Name of Buyer	
Sales Price		Cost or other basis (do not reduce by depreciation)	
Sales Expense		Valuation Method	
Total Gain (Loss)		Accumulation Depreciation	

Description of Property			
Date Acquired		How Acquired	
Date Sold		Name of Buyer	
Sales Price		Cost or other basis (do not reduce by depreciation)	
Sales Expense		Valuation Method	
Total Gain (Loss)		Accumulation Depreciation	

Description of Property			
Date Acquired		How Acquired	
Date Sold		Name of Buyer	
Sales Price		Cost or other basis (do not reduce by depreciation)	
Sales Expense		Valuation Method	
Total Gain (Loss)		Accumulation Depreciation	

Description of Property			
Date Acquired		How Acquired	
Date Sold		Name of Buyer	
Sales Price		Cost or other basis (do not reduce by depreciation)	
Sales Expense		Valuation Method	
Total Gain (Loss)		Accumulation Depreciation	

Description of Property			
Date Acquired		How Acquired	
Date Sold		Name of Buyer	
Sales Price		Cost or other basis (do not reduce by depreciation)	
Sales Expense		Valuation Method	
Total Gain (Loss)		Accumulation Depreciation	

Description of Property			
Date Acquired		How Acquired	
Date Sold		Name of Buyer	
Sales Price		Cost or other basis (do not reduce by depreciation)	
Sales Expense		Valuation Method	
Total Gain (Loss)		Accumulation Depreciation	

Form 990-PF, Page 1, Part I, Line 18

Line 18 Stmt

Taxes	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
2010 1% EXC TAX	96.	96.	96.	
FOREIGN TAX PAID	405.	405.	405.	
Total	501.	501.	501.	

Form 990-PF, Page 6, Part VIII, Line 1

Information about Officers, Directors, Trustees, Etc.

(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
Person ☒ Business ☐ YASIR BEZIRGAN, 2955 N RACINE, CHICAGO, IL 60657	DIRECTOR 3.00	0.	0.	0.
Person ☒ Business ☐ MICHAEL LERNER 665 EAST HOMSTED DR AURORA OH 44202	DIRECTOR 3.00	0.	0.	0.
Person ☒ Business ☐ JULIE JACOBS 390 RIVERSIDE DR #12AC NEW YORK NY 10025	DIRECTOR 3.00	0.	0.	0.

Total

0. 0. 0.

Form 990-PF, Page 11, Part XV, line 3a

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox Amount
a Paid during the year CHILDREN'S AID SOCIETY 105 E 22ND ST NEW YORK NY 10010		501 C3	FOSTER CARE	Person or ☐ Business ☐ 15,000.
FLORIDA UNITED METHODIST CHILDREN'S HOME 51 MAIN ST ENTERPRISE FL 32725		501 C3	YOUTH TRAINING	Person or ☐ Business ☐ 15,000.

Form 990-PF, Page 11, Part XV, line 3a

Continued

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox Amount
a Paid during the year				
FOSTER PARENTS ASSO. OF WASHINGTON STATE 1121 HARRISON AVE CENTRALIA WA 98531		501C3	FOR FOSTER CARE CONFERENCES	Person or ☐ Business ☐ 15,000.
PATHWAY CARING FOR CHILDREN 6370 WISE AVENUE NW NORTH CANTON OH 44720		501C3	TO RECRUIT NEW FOSTER CARE GIVERS	Person or ☐ Business ☐ 15,000.
COMMUNITY PARTNERSHIP FOR CHILDREN 160 N BEACH ST DAYTONA BEACH FL 32114		501C3	CARE GIVERS FOR FOSTER CARE	Person or ☐ Business ☐ 15,000.
JEWISH CHILD FAMILY SERVICES 216 W JACKSON BLVD #700 CHICAGO IL 60606		501C3	HELP CHILDREN IN NEED	Person or ☐ Business ☐ 15,000.
HARLEM DARLING WESTSIDE CTR 2090 ADAM CLAYTON POWELL BLVD NEW YORK NY 10027		501C3	FOSTER CARE TO SELF SUFFICIENCY	Person or ☐ Business ☐ 15,000.

Total

105,000.

Form 990-PF, Page 1, Part I

Line 16a - Legal Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
GASS AND LEWIS LTD	LEGAL SERVICES	2,670.			

Total

2,670.

Form 990-PF, Page 1, Part I

Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EVENSKY AND KATZ	INVESTMENT ADVISORY SE	5,804.			
SCHWAB	BROKER SERVICES	205.			

Form 990-PF, Page 1, Part I

Continued

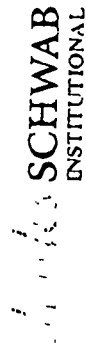
Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Total		<u>6,009.</u>			

Form 990-PF, Page 2, Part II, Line 10b

L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
MUTUAL FUNDS (SCHWAB A/C 1229-0913) - DETAIL ATTACHED	1,495,922.	1,491,408.
LESS CASH	-12,478.	-12,478.
Total	<u>1,483,444.</u>	<u>1,478,930.</u>



Schwab One® Account of
LERNER FAMILY FOUNDATION

Account Number
1229-0913

Statement Period
December 1-31, 2011

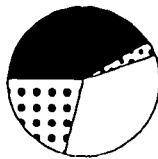
Asset Composition

Account Notes

Overview

	Market Value	% of Account Assets
Cash	\$ 12,477.74	<1%
Fixed Income	44,927.69	3%
Bond Funds	316,766.84	21%
Equity Funds	503,968.18	34%
Other Assets	613,269.24	41%
Total Assets Long	\$ 1,491,409.69	

• Accrued Interest is \$0.00



41% Other Assets
34% Equity Funds
21% Bond Funds
3% Fixed Income
<1% Cash

Total Account Value \$ 1,491,409.69 100%

Investment Detail - Cash

	Market Value	% of Account Assets
Cash	12,477.74	<1%

Total Cash 12,477.74 <1%

Investment Detail - Fixed Income

Corporate Bonds	Par	Market Price	Market Value	% of Account Assets
JP MORGAN CHASE 0.0%12 NOTES DUE 12/31/12	45,000.0000	99.8393	44,927.69	3%

Total Corporate Bonds 45,000.0000 3%

Total Fixed Income 44,927.69 3%

Total Account Value 1,491,409.69 100%

Total Account Value 1,491,409.69 100%

Total Account Value 1,491,409.69 100%

Investment Detail - Fixed Income (continued)

Accrued interest represents the interest that would be received if the fixed income investment was sold prior to the coupon payment

Investment Detail - Mutual Funds

Bond Funds	Quantity	Market Price	Market Value	% of Account Assets
BLACKROCK LOW DURATION ° BOND FUND INST CL SYMBOL: BFMSX	2,873.8710	9.6000	27,589.16	2%
JPMORGAN HIGH YIELD FD ° SLCT CL SYMBOL: OHYFX	4,294.4540	7.6200	32,723.74	2%
JPMORGAN STRATEGIC INCM ° OPPTY SLCT SHR SYMBOL: JSOSX	3,750.6770	11.3300	42,495.17	3%
PIMCO LOW DURATION FUND ° INSTL CL SYMBOL: PTLDX	5,098.6290	10.2900	52,464.89	4%
PIMCO REAL RETURN FUND ° INSTL CL SYMBOL: PRRIX	1,878.5750	11.7900	22,148.40	1%
PIMCO TOTAL RETURN FUND ° INSTL CL SYMBOL: PTTRX	9,034.8280	10.8700	98,208.58	7%
PIMCO UNCONSTRAINED BD ° FD INST CL SYMBOL: PFIUX	3,777.4930	10.8900	41,136.90	3%

Total Bond Funds 30,708,527.60

316,766.84

25%

Investment Detail - Mutual Funds (continued)

Equity Funds	Quantity	Market Price	Market Value	% of Account Assets
AQR DIVERSIFIED ° ARBITRAGE CLI SYMBOL ADAIX	3,779.6380	10.8900	41,160.26	3%
AQR MGD FUTURES STRAT FD ° CLI SYMBOL AQMIX	4,142.4100	9.5700	39,642.86	3%
ASG GLOBAL ALTERNATIVES ° FD CLI SYMBOL GAFYX	3,691.2440	10.3400	38,167.46	3%
DFA EMERGING MARKETS ° CORE EQUITY PORTFOLIO SYMBOL DFCEX	2,594.5250	17.2400	44,729.61	3%
DFA INTERNATIONAL CORE ° EQUITY PORTFOLIO SYMBOL DFIEY	17,626.5940	9.2600	163,222.26	11%
DFA INTL SMALL COMPANY ° PORTFOLIO FUND SYMBOL DFISX	2,723.4510	13.8400	37,692.56	3%
DFA U.S. SMALL CAP VALUE ° PORTFOLIO SYMBOL DFSVX	4,604.4060	23.1600	106,638.04	7%
GOLDMAN SACHS SATELLITE ° STRATEGIES PORT INST SYMBOL GXSIX	4,432.9440	7.3800	32,715.13	2%

Total Equity Funds 74,305,749.02 509,968.19 34%

Total Mutual Funds 74,305,749.02 509,968.19 55%

Investment Detail - Other Assets

Other Assets	Quantity	Market Price	Market Value	% of Account Assets
BARCLAYS BANK IPATH ETN ° DJ UBS COMMODITY INDEX SYMBOL: DJP	750 0000	42 2400	31,680 00	2%
ISHARES MSCI ETF ° HIGH DIVIDEND EQUITY FD SYMBOL: HDV	575.0000	55 5000	31,912 50	2%
ISHARES S&P MIDCAP 400 ° VALUE INDEX FUND S&P MIDCAP 400 SYMBOL: IJJ	807 4631	75 9800	61,351 05	4%
ISHARES TR RUSSELL 3000 ° RUSSELL 3000 INDEX FUND SYMBOL: IWV	5,319.1799	74 1800	394,576 76	26%
PIMCO EXCH TRADED FUND ° ENHANCED SHORT MATURITY STRATEGY FUND SYMBOL: MINT	202 4770	100 1500	20,278 07	1%
SECTOR SPDR INDL SELECT ° SHARES OF BENEFICIAL INT SYMBOL: XLI	6 4762	33 7500	218 57	<1%
VANGUARD DIV APPRECIATION ° SYMBOL: VIG	691 1682	54.6500	37,772.34	3%
VANGUARD MEG CAP 300ETF ° SYMBOL: MGC	825.0000	43 0060	35,479 95	2%
Total Other Assets	9,176,7644		616,269 24	41%

Form 990-PF, Page 6, Part VIII, Line 1

Information about Officers, Directors, Trustees, Etc.

(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
Person ☒ Business ☐ YASIR BEZIRGAN, 2955 N RACINE, CHICAGO, IL 60657	DIRECTOR 3.00	0.	0.	0.
Person ☒ Business ☐ MICHAEL LERNER 665 EAST HOMSTED DR AURORA OH 44202	DIRECTOR 3.00	0.	0.	0.
Person ☒ Business ☐ JULIE JACOBS CONRAD 390 RIVERSIDE DR #12AC NEW YORK NY 10025	DIRECTOR 3.00	0.	0.	0.

Total

0. 0. 0.