



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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.

2011

For calendar year 2011 or tax year beginning

, and ending

Name of foundation The High Stakes Foundation		A Employer identification number 20-5815274
Number and street (or P.O. box number if mail is not delivered to street address) P.O. Box 96	Room/suite	B Telephone number 406-726-2030
City or town, state, and ZIP code Arlee, MT 59821		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, col (c), line 16) \$ 2,017,708.	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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
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		59,322.	59,322.		Statement 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		30,886.			
b Gross sales price for all assets on line 6a 908,880.					
7 Capital gain net income (from Part IV, line 2)			30,886.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less: Cost of goods sold					
c Gross profit or (loss)					
11 Other income		7,500.	7,500.		Statement 2
12 Total. Add lines 1 through 11		97,708.	97,708.		
13 Compensation of officers, directors, trustees, etc.		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees					
c Other professional fees Stmt 3		141,394.	19,394.		122,000.
17 Interest					
18 Taxes Stmt 4		1,294.	735.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings		5,492.	0.		5,492.
22 Printing and publications					
23 Other expenses Stmt 5		1,430.	0.		1,430.
24 Total operating and administrative expenses. Add lines 13 through 23		149,610.	20,129.		128,922.
25 Contributions, gifts, grants paid		511,250.			511,250.
26 Total expenses and disbursements. Add lines 24 and 25		660,860.	20,129.		640,172.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<563,152.>			
b Net investment income (if negative, enter -0-)			77,579.		
c Adjusted net income (if negative, enter -0-)				N/A	

Part II Balance Sheets

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	117,121.	104,658.	104,658.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶	250,000.	0.	0.
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations Stmt 7	128,296.	127,143.	127,143.
	b Investments - corporate stock Stmt 8	855,474.	838,177.	838,177.
	c Investments - corporate bonds Stmt 9	935,002.	776,647.	776,647.
11 Investments - land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other Stmt 10	323,227.	171,083.	171,083.	
14 Land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	2,609,120.	2,017,708.	2,017,708.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	2,609,120.	2,017,708.	
30 Total net assets or fund balances	2,609,120.	2,017,708.		
31 Total liabilities and net assets/fund balances	2,609,120.	2,017,708.		

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	2,609,120.
2 Enter amount from Part I, line 27a	2	<563,152.>
3 Other increases not included in line 2 (itemize) ▶ See Statement 6	3	28,836.
4 Add lines 1, 2, and 3	4	2,074,804.
5 Decreases not included in line 2 (itemize) ▶ Miscellaneous Adjustment	5	57,096.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,017,708.

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 Sale of publicly traded securities	P		
b Capital Gains Dividends			
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 906,978.		877,994.	28,984.
b 1,902.			1,902.
c			
d			
e			

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			28,984.
b			1,902.
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	30,886.
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). If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	362,569.	2,470,136.	.146781
2009	538,003.	2,830,682.	.190061
2008	792,412.	3,070,975.	.258033
2007	0.	12,842.	.000000
2006			

2 Total of line 1, column (d)	2	.594875
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	.148719
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	2,308,747.
5 Multiply line 4 by line 3	5	343,355.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	776.
7 Add lines 5 and 6	7	344,131.
8 Enter qualifying distributions from Part XII, line 4	8	640,172.

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.

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ 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	776.
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	776.
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	776.
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	0.	
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	20.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	796.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax ☐ Refunded ☐	11		

Part VII-A Statements Regarding Activities

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

N/A

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>www.highstakesfoundation.org</u>	13	X	
14	The books are in care of ► <u>Dawn McGee/Cherie Garcelon</u> Telephone no. ► <u>406-726-2030</u> Located at ► <u>P.O. Box 96, Arlee, MT</u> ZIP+4 ► <u>59821</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 ► 15 N/A			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No
				X

Part VII-B. Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	1b
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?		1c
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 ►	☐ 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.)	N/A	2b
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ 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.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a
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
		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ 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)?

N/A

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?

N/A

☐ 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****X**

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 11		0.	0.	0.

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

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

Total number of other employees paid over \$50,000**0**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. 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 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

Form 990-PF (2011)

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	2,021,968.
b Average of monthly cash balances	1b	321,938.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	2,343,906.
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	2,343,906.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	35,159.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,308,747.
6 Minimum investment return. Enter 5% of line 5	6	115,437.

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	115,437.
2a Tax on investment income for 2011 from Part VI, line 5	2a	776.
b Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	776.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	114,661.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	114,661.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	114,661.

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	640,172.
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	640,172.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	776.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	639,396.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				114,661.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008	640,668.			
d From 2009	397,431.			
e From 2010	240,119.			
f Total of lines 3a through e	1,278,218.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ 640,172.				
a Applied to 2010, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				114,661.
e Remaining amount distributed out of corpus	525,511.			
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	1,803,729.			
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 instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	1,803,729.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008	640,668.			
c Excess from 2009	397,431.			
d Excess from 2010	240,119.			
e Excess from 2011	525,511.			

N/A

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

(4) Gross investment income

[illegible]

None

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

Recipient	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
Name and address (home or business)				
a Paid during the year				
AERO 423 N. Last Chance Gulch Helena, MT 59601	None	Public Charity	General Operating	15,000.
Arlee CDC P.O. Box 452 Arlee, MT 59821	None	Public Charity	General Operating	8,000.
Bitterroot Water Forum P.O. Box 1247 Hamilton, MN 59840	None	Public Charity	General Operating	2,500.
Citizens for a Better Flathead P.O. Box 771 Kalispell, MT 59903	None	Public Charity	General Operating	22,000.
Clark Fork Coalition Missoula P.O. Box 7593 Missoula, MT 59807	None	Public Charity	General Operating	3,000.
Total			See continuation sheet(s) ▶ 3a	511,250.
b Approved for future payment				
None				
Total			▶ 3b	0.

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
Climate Solutions 219 Legion Way SW, Suite 201 Olympia, WA 98501	None	Public Charity	General Operating	10,000.
Community Food & Agriculture Coalition P.O. Box 7025 Missoula, MT 59807	None	Public Charity	General Operating	10,000.
Dawson County EDC 808 N. Merrill Avenue Glendive, MT 59330	None	Public Charity	General Operating	10,000.
Five Valleys Land Trust P.O. Box 8953 Missoula, MT 59807	None	Public Charity	General Operating	20,000.
Forward Montana 500 N. Higgins, Suite 107 Missoula, MT 59802	None	Public Charity	General Operating	20,000.
Indian Nonprofit Association 234 East Babcock, #J Bozeman, MT 59715	None	Public Charity	General Operating	10,000.
Mainstreet Uptown Butte P.O. Box 696 Butte, MT 59703	None	Public Charity	General Operating	10,000.
Missoula Urban Demonstration Project 629 Phillips Missoula, MT 59802	None	Public Charity	General Operating	20,000.
Missoula Youth Homes P.O. Box 7616 Missoula, MT 59807	None	Public Charity	General Operating	10,000.
Montana Autobon P.O. Box 595 Helena, MT 59624	None	Public Charity	General Operating	10,000.
Total from continuation sheets				460,750.

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
Montana Budget & Policy Center 910 E. Lyndale Street, Suite A Helena, MT 59601	None	Public Charity	General Operating	15,000.
Montana Conservation Voters P.O. Box 853 Billings, MT 59103	None	Public Charity	General Operating	15,000.
Montana Human Rights Network P.O. Box 1509 Helena, MT 59624	None	Public Charity	General Operating	20,000.
Montana Land Reliance P.O. Box 355 Helena, MT 59624	None	Public Charity	General Operating	2,500.
Montana Nonprofit Association P.O. Box 1744 Helena, MT 59624	None	Public Charity	General Operating	10,000.
Montana Organizing Project 208 E. Main Street Missoula, MT 59802	None	Public Charity	General Operating	25,000.
Montana Smart Growth Coalition 114 W. Pine Street, Suite 1 Missoula, MT 59802	None	Public Charity	General Operating	6,000.
Montana Wildlife Federation P.O. Box 1175 Helena, MT 59624	None	Public Charity	General Operating	3,000.
Montana Women Vote 2525 Palmer, Suite 1 Missoula, MT 59802	None	Public Charity	General Operating	10,000.
National Coalition Building Institute 1280 S. 3rd W., Suite 2 Missoula, MT 59801	None	Public Charity	General Operating	10,000.
Total from continuation sheets				

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
National Wildlife Federation 240 N. Higgins, Suite 2 Missoula, MT 59802	None	Public Charity	General Operating	15,000.
NCAT P.O. Box 3838 Butte, MT 59702	None	Public Charity	General Operating	25,000.
New Leaders Council 935 9th Street Missoula, MT 59801	None	Public Charity	General Operating	5,000.
North Missoula CDC 819 Stoddard Missoula, MT 59802	None	Public Charity	General Operating	20,000.
Northern Plains Resource Council 220 S. 27th Street, Suite A Billings, MT 59101	None	Public Charity	General Operating	10,250.
Opportunity Link P.O. Box 80 Havre, MT 59501	None	Public Charity	General Operating	10,000.
Park County Community Foundation 103 1/2 S Main Livingston, MA 59047	None	Public Charity	General Operating	9,500.
Plains Justice P.O. Box 1398 Billings, MT 59103	None	Public Charity	General Operating	10,000.
Pride Foundation 1122 East Pike Street, PMB1001 Seattle, WA 68122	None	Public Charity	General Operating	5,000.
Rocky Boy Health Board RR1 Box 544 Box Elder, MT 59521	None	Public Charity	General Operating	2,500.
Total from continuation sheets				

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
Rural Dynamics 2202 Centreal Avenue Great Falls, MT 59401	None	Public Charity	General Operating	2,500.
Sonoran Institute 201 S. Wallace Avenue Bozeman, MT 59715	None	Public Charity	General Operating	2,000.
Sustainable Business Council 415 N. Higgins, Suite 119 Missoula, MT 59802	None	Public Charity	General Operating	10,000.
Sustainable Living Systems P.O. Box 53 Victor, MT 59875	None	Public Charity	General Operating	2,500.
The Nature Conservancy 32 South Ewing Helena, MT 59601	None	Public Charity	General Operating	25,000.
The Policy Institute P.O. Box 1362 Helena, MT 59624	None	Public Charity	General Operating	5,000.
University of Montana Foundation P.O. Box 7159 Missoula, MT 59807	None	Public Charity	General Operating	25,000.
Wildlands CPR P.O. Box 7516 Missoula, MT 59807	None	Public Charity	General Operating	30,000.
Total from continuation sheets				

Form 990-PF	Dividends and Interest from Securities	Statement	1
Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
Charles Schwab	61,224.	1,902.	59,322.
Total to Fm 990-PF, Part I, ln 4	61,224.	1,902.	59,322.

Form 990-PF	Other Income	Statement	2
Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Other Investment Income	7,500.	7,500.	
Total to Form 990-PF, Part I, line 11	7,500.	7,500.	

Form 990-PF	Other Professional Fees			Statement	3
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Investment management fees	19,394.	19,394.		0.	
Management fees	119,000.	0.		119,000.	
Professional fees	3,000.	0.		3,000.	
To Form 990-PF, Pg 1, ln 16c	141,394.	19,394.		122,000.	

Form 990-PF	Taxes			Statement	4
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Federal Excise Tax	559.	0.			0.
Foreign Tax Paid	735.	735.			0.
To Form 990-PF, Pg 1, ln 18	1,294.	735.			0.

Form 990-PF	Other Expenses			Statement	5
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Miscellaneous	1,430.	0.		1,430.	
To Form 990-PF, Pg 1, ln 23	1,430.	0.		1,430.	

Form 990-PF	Other Increases in Net Assets or Fund Balances			Statement	6
Description	Amount				
Net Unrealized gain/(loss) on investments	28,836.				
Total to Form 990-PF, Part III, line 3	28,836.				

Form 990-PF	U.S. and State/City Government Obligations			Statement	7
Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value	
Charles Schwab Govt Obligations - see stmt	X		127,143.	127,143.	
Total U.S. Government Obligations			127,143.	127,143.	
Total State and Municipal Government Obligations					
Total to Form 990-PF, Part II, line 10a			127,143.	127,143.	

Form 990-PF	Corporate Stock			Statement	8
Description	Book Value		Fair Market Value		
Charles Schwab Equities - see stmt	790,065.		790,065.		
Charles Schwab Equity Funds - see stmt	48,112.		48,112.		
Total to Form 990-PF, Part II, line 10b	838,177.		838,177.		

Form 990-PF	Corporate Bonds	Statement	9
-------------	-----------------	-----------	---

Description	Book Value	Fair Market Value
Charles Schwab Corp Bonds - See stmt	308,183.	308,183.
Charles Schwab Bond Funds - see stmt	468,464.	468,464.
Total to Form 990-PF, Part II, line 10c	776,647.	776,647.

Form 990-PF	Other Investments	Statement	10
-------------	-------------------	-----------	----

Description	Valuation Method	Book Value	Fair Market Value
Charles Schwab Other Investments - See stmt	FMV	166,937.	166,937.
Accrued Interest	FMV	4,146.	4,146.
Total to Form 990-PF, Part II, line 13		171,083.	171,083.

Form 990-PF Part VIII - List of Officers, Directors Statement 11
 Trustees and Foundation Managers

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Contrib	Expense Account
Dawn McGee P.O. Box 96 Arlee, MT 59821	President/Secretary 1.00	0.	0.	0.
Cherie Garcelon p.O. Box 96 arlee, MT 59821	Program Officer/Finance Manager 1.00	0.	0.	0.
Mary Stranahan p.O. Box 96 arlee, MT 59821	Director 1.00	0.	0.	0.
Molly Stranahan p.O. Box 96 arlee, MT 59821	Director 1.00	0.	0.	0.
Joel Solomon P.O. Box 96 Arlee, MT 59821	Director 1.00	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		0.	0.	0.

Investment Detail - Fixed Income

Government Obligations	Par	Market Price	Market Value	% of Account Assets
FED HOME LN BK 5%12 NOTES DUE 09/14/12 CUSIP: 3133XLX73	25,000.0000	103.3525	25,838.13	1%
MOODY'S Aaa S&P: AA+				Accrued Interest: 371.53
FED HOME LN BK 1.5%13 NOTES DUE 01/16/13 CUSIP: 3133XW7L7	100,000.0000	101.3051	101,305.10	5%
MOODY'S Aaa S&P: AA+				Accrued Interest: 687.50
Total Government Obligations	125,000.0000		127,143.23	6%
				Total Accrued Interest for Government Obligations: 1,059.03

Corporate Bonds	Par	Market Price	Market Value	% of Account Assets
CALVERT 2.0%12 * NOTE DUE 04/16/12 CUSIP: 13161ERN9	25,000.0000	100.0000	25,000.00	1%
CALVERT SOC INVT 1.25%13 * NOTES DUE 09/15/13 CUSIP: 13161EZB6	50,000.0000	100.0000	50,000.00	2%
MOODY'S: N/R S&P: N/R				Accrued Interest: 355.56
CALVERT SOCIAL 0.5%12 * NOTES DUE 09/30/12 PAYS INTEREST @ MATURITY CUSIP: 13161EN78	60,000.0000	100.0000	60,000.00	3%
MOODY'S: N/R S&P: N/R				Accrued Interest: 184.03
				Accrued Interest: 71.67



Charles SCHWAB
INSTITUTIONAL

Schwab On® Account of
HIGH STAKES FOUNDATION

Account Number
2413-5104

Statement Period:
December 1-31, 2011

G000027010308

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value	% of Account Assets
DELL INC 4.7%13 NOTES DUE 04/15/13 CALLABLE CUSIP 24702RAD3 MOODY'S: A2 S&P: A-	25,000.0000	104.9686	26,242.15	1%
MEDTRONIC INC 4.5%14 NOTES DUE 03/15/14 CALLABLE CUSIP: 585055AP1 MOODY'S: A1 S&P: AA-	50,000.0000	107.7888	53,894.40	2%
PEPSICO 4.65%13 NOTES DUE 02/15/13 CUSIP: 713448BG2 MOODY'S: Aa3 S&P: A-	20,000.0000	104.6224	20,924.48	<1%
TARGET CORP 5.875%12 NOTES DUE 03/01/12 CALLABLE CUSIP: 87612EAH9 MOODY'S: A2 S&P: A+	20,000.0000	100.7687	20,153.74	<1%
VERIZON COMMUN 4.35%13 SR UNSEC DUE 02/15/13 CALLABLE CUSIP: 92343VAJ3 MOODY'S: A3 S&P: A-	50,000.0000	103.9371	51,968.55	2%
Total Corporate Bonds	300,000.0000		308,183.32	14%
Total Fixed Income	425,000.0000		435,326.55	20%
Total Accrued Interest for Corporate Bonds: 3,086.49				
Accrued Interest: 821.67				
Accrued Interest: 248.06				
Accrued Interest: 662.50				
Accrued Interest: 351.33				
Accrued Interest: 391.67				

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

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

CTCH2309-002701 599429

© 2008 Charles Schwab & Co., Inc. All rights reserved. Member SIPC. Schwab Institutional is a division of Charles Schwab & Co., Inc. ("Schwab"). This statement is furnished solely for your account at Schwab. Please see Terms and Conditions (7002-2115, 2002-240) STP25255R1-02.

Charles SCHWAB

Schwab One® Account of
HIG STAKES FOUNDATION

Account Number
2413-5104

Statement Period
December 1-31, 2011

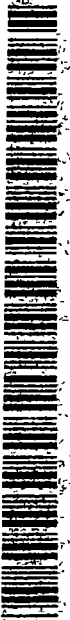
Investment Detail - Equities

Equities	Quantity	Market Price	Market Value	% of Account Assets
APPLE INC SYMBOL: AAPL	340.0000	405.0000	137,700.00	6%
BANK OF HAWAII CORP SYMBOL: BOH	500.0000	44.4900	22,245.00	1%
CANADIAN NATL RY CO F SYMBOL: CNI	400.0000	78.5600	31,424.00	1%
CHORUS LTD ADR F SPONSORED ADR 1 ADR REPS 5 ORD SYMBOL: CHRY	600.0000	12.1695	7,301.70	<1%
CISCO SYSTEMS INC SYMBOL: CSCO	1,270.0000	18.0800	22,961.60	1%
DEVON ENERGY CP NEW SYMBOL: DVN	200.0000	62.0000	12,400.00	<1%
FIRST SOLAR INC SYMBOL: FSLR	500.0000	33.7600	16,880.00	<1%
GILEAD SCIENCES INC SYMBOL: GILD	1,100.0000	40.9300	45,023.00	2%
GOOGLE INC CLASS A SYMBOL: GOOG	150.0000	645.9000	96,885.00	4%
HAWAIIAN ELEC INDUSTRIES SYMBOL: HE	200.0000	26.4800	5,296.00	<1%
HEINZ H J CO SYMBOL: HNZ	600.0000	54.0400	32,424.00	1%

Please see "Notes for Your Account" section for an explanation of the endnote codes and symbols in this statement.

CTCH2309 002701 599430

© 2011 Charles Schwab & Co. Inc. All rights reserved. Member SIPC. Schwab Institutional is a division of Charles Schwab & Co. [in Schwab] This statement is furnished solely for your account at Schwab.



Charles SCHWAB
INSTITUTIONAL

Schwab One® Account of
HIGH STAKES FOUNDATION

Account Number
2413-5104

Statement Period
December 1-31, 2011

CTCH2309-002701 0408

Investment Detail - Equities (continued)

Equities (continued)	Quantity	Market Price	Market Value	% of Account Assets
INTEL CORP SYMBOL: INTC	2,250.0000	24.2500	54,562.50	3%
JOHNSON & JOHNSON SYMBOL: JNJ	295.0000	65.5800	19,346.10	<1%
KON PHILIPS ELEC NV NEWF SPONSORED NY SH 1 NY SH REPS 1 ORD SYMBOL: PHG	863.0000	20.9500	18,079.85	<1%
MEDTRONIC INC SYMBOL: MDT	630.0000	38.2500	24,097.50	1%
NORTHWEST NATURAL GAS CO SYMBOL: NWN	500.0000	47.9300	23,965.00	1%
NUCOR CORP SYMBOL: NUE	500.0000	39.5700	19,785.00	<1%
ORACLE CORPORATION SYMBOL: ORCL	1,000.0000	25.6500	25,650.00	1%
PROCTER & GAMBLE SYMBOL: PG	285.0000	66.7100	19,012.35	<1%
SASOL LIMITED SPON ADR F SPONSORED ADR 1 ADR REP 1 ORD SYMBOL: SSL	300.0000	47.4000	14,220.00	<1%
STARBUCKS CORP SYMBOL: SBUX	500.0000	46.0100	23,005.00	1%

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

CTCH2309-002701 599431

© 2008 Charles Schwab & Co. Inc. All rights reserved. Member SIPC. Schwab Institutional is a division of Charles Schwab & Co., Inc. ("Schwab"). This statement is furnished solely for your account at Schwab.

charles SCHWAB
INSTITUTIONAL

Schwab One® Account of
HIGH STAKES FOUNDATION

Account Number
2413-5104

Statement Period
December 1-31, 2011

Investment Detail - Equities (continued)

Equities (continued)	Quantity	Market Price	Market Value	% of Account Assets
STRYKER CORP SYMBOL: SYK	300.0000	49.7100	14,913.00	<1%
SVB FINANCIAL GROUP INC SYMBOL: SIVB	500.0000	47.6900	23,845.00	1%
SYSO CORPORATION SYMBOL: SYO	630.0000	29.3300	18,477.90	<1%
TELECOM CP N Z SPON ADRF SPONSORED ADR 1 ADR REPS 5 ORD SYMBOL: NZT	3,000.0000	7.9900	23,970.00	1%
UNITED PARCEL SERVICE B CLASS B SYMBOL: UPS	500.0000	73.1900	36,595.00	2%
Total Equities	17,913.0000		790,064.50	36%

Investment Detail - Mutual Funds

Bond Funds	Quantity	Market Price	Market Value	% of Account Assets
CRA QUALIFIED & INVESTMENT INSTL SYMBOL: CRANX	15,752.7310	11.0700	174,382.73	8%

Please see "Notes for Your Account" section for an explanation of the endnote codes and symbols on this statement.





G000027010508

Charles SCHWAB
INSTITUTIONALSchwab One® Account of
HIGH STAKES FOUNDATIONAccount Number:
2413-5104Statement Period:
December 1-31, 2011**Investment Detail - Mutual Funds (continued)**

Bond Funds (continued)	Quantity	Market Price	Market Value	% of Account Assets
VANGUARD INFLATION ^Q PROTECTED SECURITIES FD SYMBOL: VIPSX	20,842.0780	14.1100	294,081.72	14%
Total Bond Funds	36,594.8090		468,464.45	22%

Equity Funds	Quantity	Market Price	Market Value	% of Account Assets
PARNASSUS SMALL CAP FUND ^Q SYMBOL: PARXX	808.6640	20.0800	16,237.97	<1%
PORTFOLIO 21 CL I ^Q SYMBOL: PORIX	1,085.9830	29.3500	31,873.60	1%
Total Equity Funds	1,894.6470		48,111.57	2%

Total Mutual Funds	38,489.4560		516,576.02	24%
---------------------------	--------------------	--	-------------------	------------

Investment Detail - Other Assets

Other Assets	Quantity	Market Price	Market Value	% of Account Assets
HCP INC REIT SYMBOL: HCP	2,000.0000	41.4300	82,860.00	4%
ISHARES SILVER TRUST INDEX FUND SYMBOL: SLV	300.0000	26.9400	8,082.00	<1%

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

CTCH2309-002701 599433

© 2008 Charles Schwab & Co., Inc. All rights reserved. Member SIPC. Schwab Institutional is a division of Charles Schwab & Co., Inc. ("Schwab"). This statement is furnished solely for your account at Schwab. Please see Terms and Conditions. 12/14/2011 CTCP265R1-02

Charles Schwab
INSTITUTIONAL

Schwab One® Account of
HIGH STAKES FOUNDATION

Account Number
2413-5104

Statement Period
December 1-31, 2011

Investment Detail - Other Assets (continued)

Other Assets (continued)	Quantity	Market Price	Market Value	% of Account Assets
SPDR GOLD TRUST	500 0000	151.9900	75,995.00	3%
SPDR GOLD SHARES SYMBOL: GLD				
Total Other Assets	2,800.0000		166,937.00	8%

Total Investment Detail

2,173,061.74

Total Account Value

2,173,061.74

Transaction Detail - Purchases & Sales

Bond Funds Activity

Settle Date	Trade Date	Transaction	Description	Quantity	Unit Price	Total Amount
12/15/11	12/15/11	Reinvested Shares	CRA QUALIFIED INVESTMENT INSTL CRANX	90 0710	11 0900	(998.89)
12/15/11	12/15/11	Reinvested Shares	CRA QUALIFIED INVESTMENT INSTL CRANX	7.5980	11.0900	(84.26)
12/27/11	12/27/11	Reinvested Shares	VANGUARD INFLATION PROTECTED SECURITIES FD. VIPSX	305.9010	14 0800	(4,307.09)
12/27/11	12/27/11	Reinvested Shares	VANGUARD INFLATION PROTECTED SECURITIES FD. VIPSX	26.2200	14.0800	(369.18)
12/30/11	12/30/11	Reinvested Shares	CRA QUALIFIED INVESTMENT INSTL CRANX	42.5240	11.0700	(470.74)
Total Bond Funds Activity						(6,230.16)

Please see "Notes for Your Account" section for an explanation of the endnote codes and symbols on this statement

CTCH2309-002701 599434

© 2011 Charles Schwab & Co. Inc. All rights reserved. Member SIPC. Schwab Institutional is a division of Charles Schwab & Co. Inc. ("Schwab"). This statement is furnished solely for your account at Schwab.

