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2011

Department of the Treasury  
Internal Revenue ServiceReturn 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

For calendar year 2011, or tax year beginning

, 2011, and ending

STRATTON FOUNDATION  
THREE FETLOCK LANE  
BLUE BELL, PA 19422

**G** Check all that apply:  Initial return  Initial Return of a former public charity  
 Final return  Amended return  
 Address change  Name change

**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 **J** Accounting method:  Cash  Accrual  
 (from Part II, column (c), line 16)  Other (specify) *(Part I, column (d) must be on cash basis)*

► \$ 7,711,880.

**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)
R E V E N U E	1 Contributions, gifts, grants, etc, received (att sch)	944,220.			
	2 Ck ► <input type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	668.	668.	668.	
	4 Dividends and interest from securities	65,547.	65,547.	65,547.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	514,374.			
	b Gross sales price for all assets on line 6a	724,301.			
	7 Capital gain net income (from Part IV, line 2)		514,374.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
A D M I N I S T R A T I V E O P E R A T I N G A N D E X P E N S E S	b Less Cost of goods sold				
	c Gross profit/(loss) (att sch)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	1,524,809.	580,589.	66,215.	
	13 Compensation of officers, directors, trustees, etc	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch) SEE ST 1	1,875.		1,875.	
	c Other prof fees (attach sch)				
	17 Interest <b>RECEIVED</b>				
	18 Taxes (attach schedule) (see instrs)				
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	391.		391.	
	22 Printing and publications <b>ODDGENS UT</b>				
	23 Other expenses (attach schedule) SEE STATEMENT 2	786.	40.	786.	
	24 Total operating and administrative expenses. Add lines 13 through 23	3,052.	40.	3,052.	
	25 Contributions, gifts, grants paid PART XV	339,268.		339,268.	
	26 Total expenses and disbursements. Add lines 24 and 25	342,320.	40.	3,052.	339,268.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	1,182,489.			
	b Net investment income (if negative, enter -0)		580,549.		
	c Adjusted net income (if negative, enter -0)			63,163.	

<b>Part II</b> 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	
<b>ASSETS</b>	1	1 Cash – non-interest-bearing				
	2	2 Savings and temporary cash investments	1,405,235.	948,332.	948,332.	
	3	3 Accounts receivable				
		Less allowance for doubtful accounts				
	4	4 Pledges receivable				
		Less allowance for doubtful accounts				
	5	5 Grants receivable				
	6	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	7 Other notes and loans receivable (attach sch)				
		Less allowance for doubtful accounts				
	8	8 Inventories for sale or use				
	9	9 Prepaid expenses and deferred charges				
	10a	10a Investments – U.S. and state government obligations (attach schedule)				
	b	b Investments – corporate stock (attach schedule)				
	c	c Investments – corporate bonds (attach schedule)				
	11	11 Investments – land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)					
12	12 Investments – mortgage loans					
13	13 Investments – other (attach schedule)	STATEMENT 3	5,052,940.	6,194,091.	6,763,548.	
14	14 Land, buildings, and equipment basis					
	Less accumulated depreciation (attach schedule)					
15	15 Other assets (describe)					
16	16 Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)		6,458,175.	7,142,423.	7,711,880.	
<b>LIABILITIES</b>	17	17 Accounts payable and accrued expenses				
	18	18 Grants payable				
	19	19 Deferred revenue				
	20	20 Loans from officers, directors, trustees, & other disqualified persons				
	21	21 Mortgages and other notes payable (attach schedule)				
	22	22 Other liabilities (describe)				
	23	23 Total liabilities (add lines 17 through 22)		0.	0.	
<b>NET FUND</b> <b>ASSETS</b> <b>AND</b> <b>LIABILITIES</b>	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.		<input checked="" type="checkbox"/>			
	24	24 Unrestricted	6,458,175.	7,142,423.		
	25	25 Temporarily restricted				
	26	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.		<input type="checkbox"/>			
	27	27 Capital stock, trust principal, or current funds				
	28	28 Paid-in or capital surplus, or land, building, and equipment fund				
	29	29 Retained earnings, accumulated income, endowment, or other funds				
	30	30 Total net assets or fund balances (see instructions)	6,458,175.	7,142,423.		
	31	31 Total liabilities and net assets/fund balances (See instructions)	6,458,175.	7,142,423.		

**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	6,458,175.
2	Enter amount from Part I, line 27a	2	1,182,489.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	7,640,664.
5	Decreases not included in line 2 (itemize)	5	498,241.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	7,142,423.

**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)
1a SEE STATEMENT 5					
b					
c					
d					
e					
(e) Gross sales price		(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))	
(j) Fair Market Value as of 12/31/69		(l) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any		
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)		If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	514,374.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)				3	0.
If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8					

**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	286,604.	6,322,540.	0.045331
2009	255,975.	4,701,859.	0.054441
2008	216,368.	4,558,076.	0.047469
2007	212,268.	4,316,704.	0.049174
2006	185,953.	3,585,674.	0.051860
<b>2 Total of line 1, column (d)</b>			2 0.248275
<b>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</b>			3 0.049655
<b>4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5</b>			4 7,831,143.
<b>5 Multiply line 4 by line 3</b>			5 388,855.
<b>6 Enter 1% of net investment income (1% of Part I, line 27b)</b>			6 5,805.
<b>7 Add lines 5 and 6</b>			7 394,660.
<b>8 Enter qualifying distributions from Part XII, line 4</b>			8 339,268.

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)**

1 a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter 'N/A' on line 1.	(attach copy of letter if necessary – see instrs)	
Date of ruling or determination letter.			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b		
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)	11,611.	
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only) Others enter -0-		
3	Add lines 1 and 2.		
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only) Others enter -0-		
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-		
6	<b>Credits/Payments</b>	0.	
a	2011 estimated tax pmts and 2010 overpayment credited to 2011		
b	Exempt foreign organizations – tax withheld at source		
c	Tax paid with application for extension of time to file (Form 8868)		
d	Backup withholding erroneously withheld		
7	Total credits and payments Add lines 6a through 6d	11,611.	
8	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		
11	Enter the amount of line 10 to be: Credited to 2012 estimated tax ► 3,787. Refunded ► 0.		

**Part VII-A Statements Regarding Activities**

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?

	Yes	No
1a		X

1b	X
----	---

1c	X
----	---

2	X
---	---

3	X
---	---

4a	X
----	---

4b	N/A
----	-----

5	X
---	---

6	X
---	---

7	X
---	---

8b	X
----	---

9	X
---	---

10	X
----	---

b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the 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

c Did the foundation file Form 1120-POL for this year?

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

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

4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?

b If 'Yes,' has it filed a tax return on Form 990-T for this year?

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?

If 'Yes,' attach the statement required by General Instruction T

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?

7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV

8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► PA

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

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

10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses

**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?	13	X
Website address		► N/A	
14	The books are in care of ► JAMES STRATTON (UNTIL 12/31) Telephone no ► 610-941-0888 Located at ► THREE FETLOCK LANE, BLUE BELL, PA ZIP + 4 ► 19422		
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	N/A	► 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?	16	Yes 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b	N/A
Organizations relying on a current notice regarding disaster assistance check here ►		1c	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?		
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 instructions)	2b	N/A
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 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))?

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

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

(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)

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

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?

If 'Yes' to 6b, file Form 8870

 Yes  No

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 (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
SEE STATEMENT 6		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				
-----				
-----				
-----				
-----				
-----				

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

&gt;

0

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

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

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

**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 (see instructions)**

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

**Amount**

1

—NA—

2

2

All other program-related investments See instructions

3

1

---

**Total.** Add lines 1 through 3

0.

BAA

**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
  - b Average of monthly cash balances
  - c Fair market value of all other assets (see instructions)
  - d Total** (add lines 1a, b, and c)
  - e Reduction claimed for blockage or other factors reported on lines 1a and 1c  
(attach detailed explanation)
- 2 Acquisition indebtedness applicable to line 1 assets
- 3 Subtract line 2 from line 1d
- 4 Cash deemed held for charitable activities Enter 1-1/2% of line 3  
(for greater amount, see instructions)
- 5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4
- 6 **Minimum investment return.** Enter 5% of line 5

<b>1a</b>	6,815,503.
<b>1b</b>	1,134,896.
<b>1c</b>	
<b>1d</b>	7,950,399.
<b>1e</b>	0.
<b>2</b>	0.
<b>3</b>	7,950,399.
<b>4</b>	119,256.
<b>5</b>	7,831,143.
<b>6</b>	391,557.

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

<b>1</b>	391,557.
<b>2a</b>	11,611.
<b>2b</b>	
<b>2c</b>	11,611.
<b>3</b>	379,946.
<b>4</b>	
<b>5</b>	379,946.
<b>6</b>	
<b>7</b>	379,946.

**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
  - b Program-related investments – total from Part IX-B
- 2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes
- 3 Amounts set aside for specific charitable projects that satisfy the
  - a Suitability test (prior IRS approval required)
  - b Cash distribution test (attach the required schedule)
- 4 **Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4
- 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)
- 6 **Adjusted qualifying distributions.** Subtract line 5 from line 4

<b>1a</b>	339,268.
<b>1b</b>	
<b>2</b>	
<b>3a</b>	
<b>3b</b>	
<b>4</b>	339,268.
<b>5</b>	
<b>6</b>	339,268.

**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

BAA

Form 990-PF (2011)

**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				379,946.
2 Undistributed income, if any, as of the end of 2011			0.	
a Enter amount for 2010 only		0.		
b Total for prior years 20____, 20____				
3 Excess distributions carryover, if any, to 2011.				
a From 2006 24,723.				
b From 2007 16,159.				
c From 2008				
d From 2009 35,934.				
e From 2010				
f Total of lines 3a through e 76,816.				
4 Qualifying distributions for 2011 from Part XII, line 4 ► \$ 339,268.			0.	
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required – see instructions) 0.		0.		
c Treated as distributions out of corpus (Election required – see instructions) 0.				
d Applied to 2011 distributable amount 339,268.				
e Remaining amount distributed out of corpus 0.				
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)		40,678.		40,678.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5 36,138.				
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 instructions 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) (see instructions) 0.				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions) 0.				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a 36,138.				
10 Analysis of line 9				
a Excess from 2007 204.				
b Excess from 2008				
c Excess from 2009 35,934.				
d Excess from 2010				
e Excess from 2011				

BAA

Form 990-PF (2011)

**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 <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(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) )

SEE STATEMENT 7

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

SEE STATEMENT 8

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

**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)				
<i>a Paid during the year</i>				
SEE ATTACHED			SEE ATTACHED	339,268.
<b>Total</b>				► 3a 339,268.
<i>b Approved for future payment</i>				
<b>Total</b>				► 3b

## Part XVI-A Analysis of Income-Producing Activities

	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	
<b>1 Program service revenue</b>					
a					
b					
c					
d					
e					
f					
<b>g Fees and contracts from government agencies</b>					
<b>2 Membership dues and assessments</b>					
<b>3 Interest on savings and temporary cash investments</b>			14	668.	
<b>4 Dividends and interest from securities</b>			14	65,547.	
<b>5 Net rental income or (loss) from real estate</b>					
<b>a Debt-financed property</b>					
<b>b Not debt-financed property</b>					
<b>6 Net rental income or (loss) from personal property</b>					
<b>7 Other investment income</b>					
<b>8 Gain or (loss) from sales of assets other than inventory</b>			18	514,374.	
<b>9 Net income or (loss) from special events</b>					
<b>10 Gross profit or (loss) from sales of inventory</b>					
<b>11 Other revenue</b>					
a					
b					
c					
d					
e					
<b>12 Subtotal. Add columns (b), (d), and (e)</b>	13	580,589.			
<b>13 Total. Add line 12, columns (b), (d), and (e)</b>	13	580,589.			

(See worksheet in line 13 instructions 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 foundation's exempt purposes (other than by providing funds for such purposes) (See instructions.)
N/A	

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

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (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
- (2) Other assets

**b Other transactions**

- (1) Sales of assets to a noncharitable exempt organization
- (2) Purchases of assets from a noncharitable exempt organization
- (3) Rental of facilities, equipment, or other assets
- (4) Reimbursement arrangements
- (5) Loans or loan guarantees
- (6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.

	Yes	No
1a (1)		X
1a (2)		X
1b (1)		X
1b (2)		X
1b (3)		X
1b (4)		X
1b (5)		X
1b (6)		X
1c		X

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.

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

**2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes  No

**b** If 'Yes,' complete the following schedule

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

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

**Sign  
Here**

**Susan M'Ginnis, ~~affix~~** 7-24-12 ► TRUSTEE  
Signature of officer or trustee Date Title

May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

Signature of officer or trustee		Date	Date	△ Yes	No	
<b>Paid Preparer Use Only</b>	Print/Type preparer's name		Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	DOROTHY A. LACY		Dorothy A. Lacy	7/18/12	P00317567	
	Firm's name	► BEUCLER KELLY & IRWIN LTD.			Firm's EIN ► 23-2371615	
Firm's address	► 125 STRAFFORD AVE STE 116			Phone no (610) 688-3200		
	WAYNE, PA 19087-3388					

**BAA**

**Schedule B**  
(Form 990, 990-EZ,  
or 990-PF)

Department of the Treasury  
Internal Revenue Service

OMB No. 1545-0047

## Schedule of Contributors

► Attach to Form 990, Form 990-EZ, or Form 990-PF

**2011**

Name of the organization

**STRATTON FOUNDATION**

Employer identification number

**23-2508658**

Organization type (check one)

Filers of:

Form 990 or 990-EZ

**Section:**

501(c)( ) (enter number) organization  
 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation  
 527 political organization

Form 990-PF

501(c)(3) exempt private foundation  
 4947(a)(1) nonexempt charitable trust treated as a private foundation  
 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**

**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions

**General Rule**

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor (Complete Parts I and II )

**Special Rules**

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year

► \$ \_\_\_\_\_

**Caution:** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990,  
990EZ, or 990-PF.**

Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

STRATTON FOUNDATION

Employer identification number

23-2508658

**Part I** **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	JAMES W & ARLENE E STRATTON THREE FETLOCK LANE BLUE BELL, PA 19422	\$ 944,220	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash

Name of organization

STRATTON FOUNDATION

Employer identification number

23-2508658

**Part II Noncash Property** (see instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	12,000 SHS ANADARKO PETROLEUM CORP	\$ 944,220.	7/15/11
		\$	
		\$	
		\$	
		\$	
		\$	

BAA

Name of organization

STRATTON FOUNDATION

Employer identification number

23-2508658

**Part III** Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10)

organizations that total more than \$1,000 for the year. Complete cols (a) through (e) and the following line entry

For organizations completing Part III, enter total of exclusively religious, charitable, etc, contributions of \$1,000 or less for the year. (Enter this information once. See instructions.)

► \$ N/A

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
N/A			
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

2011

## FEDERAL STATEMENTS

PAGE 1

STRATTON FOUNDATION

23-2508658

**STATEMENT 1**  
**FORM 990-PF, PART I, LINE 16B**  
**ACCOUNTING FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BEUCLER KELLY & IRWIN, LTD	\$ 1,875.	\$ 0.	\$ 1,875.	\$ 0.
TOTAL	<u>\$ 1,875.</u>	<u>\$ 0.</u>	<u>\$ 1,875.</u>	<u>\$ 0.</u>

**STATEMENT 2**  
**FORM 990-PF, PART I, LINE 23**  
**OTHER EXPENSES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK FEES	\$ 76.	\$ 40.	\$ 76.	
MEMBERSHIP DUES	695.		695.	
PA REGISTRATION FEE	15.		15.	
TOTAL	<u>\$ 786.</u>	<u>\$ 40.</u>	<u>\$ 786.</u>	<u>\$ 0.</u>

**STATEMENT 3**  
**FORM 990-PF, PART II, LINE 13**  
**INVESTMENTS - OTHER**

	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
OTHER INVESTMENTS			
STOCKS AND MUTUAL FUNDS	COST	\$ 6,194,091.	\$ 6,763,548.
		TOTAL <u>\$ 6,194,091.</u>	<u>\$ 6,763,548.</u>

**STATEMENT 4**  
**FORM 990-PF, PART III, LINE 5**  
**OTHER DECREASES**

ADJ FOR SALE OF DONATED STK	\$ 498,238.
ROUNDING	3.
TOTAL	<u>\$ 498,241.</u>

2011

## FEDERAL STATEMENTS

PAGE 2

STRATTON FOUNDATION

23-2508658

**STATEMENT 5**  
**FORM 990-PF, PART IV, LINE 1**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

ITEM	(A) DESCRIPTION			(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD		
1	2,000	SHS	ANADARKO PETROLEUM CORP	DONATED	12/12/2003	7/18/2011		
2	1,000	SHS	ANADARKO PETROLEUM CORP	DONATED	12/15/2003	7/18/2011		
3	1,000	SHS	ANADARKO PETROLEUM CORP	DONATED	12/12/2003	7/18/2011		
4	2,000	SHS	ANADARKO PETROLEUM CORP	DONATED	12/11/2003	7/18/2011		
5	2,000	SHS	ANADARKO PETROLEUM CORP	DONATED	10/24/2003	7/18/2011		
6	1,000	SHS	ANADARKO PETROLEUM CORP	DONATED	12/15/2003	7/18/2011		
7	L/T CAPITAL GAIN DISTRIBUTIONS			PURCHASED	VARIOUS	12/19/2011		
ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	159,220.		48,220.	111,000.				\$ 111,000.
2	79,610.		23,932.	55,678.				55,678.
3	79,610.		24,110.	55,500.				55,500.
4	159,220.		47,940.	111,280.				111,280.
5	159,220.		41,792.	117,428.				117,428.
6	79,610.		23,933.	55,677.				55,677.
7	7,811.		0.	7,811.				7,811.
							TOTAL	\$ 514,374.

**STATEMENT 6**  
**FORM 990-PF, PART VIII, LINE 1**  
**LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES**

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
JAMES STRATTON (UNTIL 4/18/12) THREE FETLOCK LANE BLUE BELL, PA 19422	PRESIDENT 1.00	\$ 0.	\$ 0.	\$ 0.
ARLENE E STRATTON THREE FETLOCK LANE BLUE BELL, PA 19422	SECRETARY/TREAS 0	0.	0.	0.
SUSAN MCGINNIS 3130 WATER STREET ROAD EAGLEVILLE, PA 19403-4532	TRUSTEE 0	0.	0.	0.
JEANNE JENKINS 200 SPRING FALLS ROAD MILTON, GA 30004-8411	TRUSTEE 0	0.	0.	0.
CAROL BEERS 270 UPPER GULPH ROAD RADNOR, PA 19087	TRUSTEE 0	0.	0.	0.
	TOTAL	\$ 0.	\$ 0.	\$ 0.

2011

**FEDERAL STATEMENTS**

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**STRATTON FOUNDATION**

**23-2508658**

**STATEMENT 7**  
**FORM 990-PF, PART XV, LINE 1A**  
**FOUNDATION MANAGERS - 2% OR MORE CONTRIBUTORS**

JAMES STRATTON (UNTIL 4/18/12)  
ARLENE E STRATTON

**STATEMENT 8**  
**FORM 990-PF, PART XV, LINE 2A-D**  
**APPLICATION SUBMISSION INFORMATION**

NAME OF GRANT PROGRAM:

NAME: SUSAN MCGINNIS  
CARE OF: ARLENE STRATTON  
STREET ADDRESS: THREE FETLOCK LANE  
CITY, STATE, ZIP CODE: BLUE BELL, PA 19422  
TELEPHONE:  
FORM AND CONTENT: WRITTEN REQUEST DESCRIBING NATURE OF PROGRAM  
SUBMISSION DEADLINES: NONE  
RESTRICTIONS ON AWARDS: NONE

## Statement of Assets and Liabilities

## Asset detail

23-2508658  
Y/e 12/31/2011

## Cash and cash equivalents

Description		Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Estimated yield	Pct of holdings
845,034.26	CRA4 (BNY Mellon, NA, Member FDIC) (Principal Holding)	\$ 845,034.26	\$ 845,034.26	\$ 0.00	\$ 422.52	0.1%	11.1%
<b>Total cash and cash equivalents</b>		<b>\$ 845,034.26</b>	<b>\$ 845,034.26</b>	<b>\$ 0.00</b>	<b>\$ 422.52</b>	<b>11.1%</b>	

Detail for Form 990-PF, Part III, Line 13  
Equities

## U.S. large cap

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Estimated yield	Pct of holdings
3,000	Anadarko Petroleum Corp ( APC ) - limited	\$ 76.3300	\$ 228,990.00	\$ 236.055.00	\$ - 7,065.00	\$ 1,080.00	0.5%	3.0%
10,000	C S X Corp ( CSX )	21.0600	210,600.00	255,872.00	-45,272.00	4,800.00	2.3	2.8
3,000	Conocophillips ( COP )	72.8700	218,610.00	227,991.90	-9,381.90	7,920.00	3.6	2.9
4,000	Freeport McMoran Copper & Gold Inc ( FCX )	36.7900	147,160.00	221,350.00	-74,190.00	4,000.00	2.7	1.9
3,000	The Mosaic Company ( MOS )	50.4300	151,290.00	199,883.10	-48,593.10	600.00	0.4	2.0
<b>Total U.S. large cap</b>		<b>\$ 956,650.00</b>	<b>\$ 1,141,152.00</b>	<b>\$ -184,502.00</b>	<b>\$ 18,400.00</b>	<b>12.6%</b>		

## U.S. small cap

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Estimated yield	Pct of holdings
33,884.346	Stratton Small Cap Value Fund ( STSCX )	\$ 49.7900	\$ 1,687,101.59	\$ 1,091,859.36	\$	\$ 0.00	0.0%	22.2%
<b>Total U.S. small cap</b>		<b>\$ 1,687,101.59</b>	<b>\$ 1,091,859.36</b>	<b>\$</b>	<b>\$ 0.00</b>	<b>0.0%</b>		<b>22.2%</b>

## Emerging markets

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Estimated yield	Pct of holdings
15,000	ISHARES Fiserv/Xinhua China 25 ( FXI ) Index FD	\$ 34.8700	\$ 523,050.00	\$ 645,934.50	\$ -122,884.50	\$ 11,475.00	2.2%	6.9%
10,000	ISHARES MSCI Emerging Markets Index ( EEM ) Fund	37.9400	379,400.00	361,610.00	27,790.00	8,080.00	2.1	5.0

Emerging markets continued		Y/e 12/31/2011					
Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Pct of yield holdings
15,000	Vanguard Emerging Markets ETF ( VWO )	38.2100	573,150.00	335,449.50	237,700.50	13,550.00	2.4 %
<b>Total emerging markets</b>			<b>\$ 1,475,600.00</b>	<b>\$ 1,332,994.00</b>	<b>\$ 142,606.00</b>	<b>\$ 33,145.00</b>	<b>19.4%</b>
<b>Equity reits</b>							
Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Pct of yield holdings
25,306 676	Stratton Monthly Dividend Reit ( STMDX ) Shares	\$ 26.9400	\$ 681,761.85	\$ 498,241.78	\$ 183,520.07	\$ 17,917.13	2.6%
<b>Total equity reits</b>			<b>\$ 681,761.85</b>	<b>\$ 498,241.78</b>	<b>\$ 183,520.07</b>	<b>\$ 17,917.13</b>	<b>9.0%</b>
<b>Other equity</b>							
Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Pct of yield holdings
60,105 202	Stratton Multi-Cap Fund ( STRGX )	\$ 32.6500	\$ 1,962,434.85	\$ 2,127,844.09	\$ -167,409.24	\$ 8,775.36	0.5% 25.8%
<b>Total other equity</b>			<b>\$ 1,962,434.85</b>	<b>\$ 2,127,844.09</b>	<b>\$ -167,409.24</b>	<b>\$ 8,775.36</b>	<b>25.8%</b>
<b>Total equities</b>			<b>\$ 7,603,568.29</b>	<b>\$ 6,174,091.23</b>	<b>\$ 1,432,474.96</b>	<b>\$ 78,237.49</b>	<b>88.9%</b>
<b>Total assets</b>			<b>\$ 7,608,580.55</b>	<b>\$ 7,059,175.49</b>	<b>\$ 1,549,125.06</b>	<b>\$ 78,600.01</b>	<b>100.0%</b>

**STRATTON FOUNDATION**  
**EIN: 23-2508658**  
**Form 990-PF year-ended 12/31/2011**

<u>Contribution</u>	<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
Ambler Theater, Inc. P.O. Box 676 Ambler, PA 19002	7/28/2011	\$ 1,000	Cultural Arts General Program Support
Center for Loss and Bereavement 3847 Skippack Pike, PO Box 1299 Skippack, PA 19474	4/10/2011	2,500	Social Services General Program Support
Central Schwenkfelder Church 2111 Valley Forge Road Lansdale, PA 19446	4/10/2011	20,000	\$5,000 Summer Work Camp \$3,000 C Young Mission Marseilles France \$3,000 O M F \$3,000 Joy Ranch \$3,000 E Winslow Mission Support \$3,000 H D Williams, III-Tyndale Seminary
Central Schwenkfelder Church 2111 Valley Forge Road Lansdale, PA 19446	8/2/2011	20,000	\$5,000 Benevolence Fund \$3,000 C Young Mission Marseilles France \$3,000 O M F \$3,000 Joy Ranch \$3,000 E Winslow Mission Support \$3,000 H D Williams, III-Tyndale Seminary
Christ's Home 800 N York Road Warminster, PA 18974	1/3/2011	6,000	Social Services General Program Support
Devon Horse Show and Country Fair Foundation P O. Box 865 Devon, PA 19333	4/7/2011	30,000	Social Services Capital Campaign
European Christian Mission (NA) Inc P.O. Box 1006 Pt. Roberts, WA 98281	4/10/2011	5,000	Religious General Program Support
Florida United Methodist Children's Home 51 Children's Way Enterprise, FL 32725	3/10/2011	10,000	Social Services Equine Program Support
Friends of the Boca Grande Community Center P.O. Box 1222 Boca Grande, FL 33921	1/3/2011	2,000	Social Services General Program Support
Gasparilla Island Conservation P.O. Box 446, 131 First Street Boca Grande, FL 33921	4/10/2011	2,000	Conservation General Program Support

**STRATTON FOUNDATION**  
 EIN: 23-2508658  
 Form 990-PF year-ended 12/31/2011

<u>Contribution</u>	<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
Germantown Academy P. O. Box 287 Fort Washington, PA 19034-0287	6/20/2011	3,000	Education Annual Fund
Harvard University 124 Mount Auburn Street Cambridge, MA 02138-5795	5/3/2011	2,000	Education Harvard Business School Dean's Fund
Hawk Mountain Sanctuary 1700 Hawk Mountain Road Kempton, PA 19529-9379	5/3/2011	2,500	Conservation General Program Support
Hawk Mountain Sanctuary 1700 Hawk Mountain Road Kempton, PA 19529-9379	11/28/2011	25,000	Conservation Operating Budget
imajnz foundation 7254 Willow Road Ambler, PA 19002	12/15/2011	2,500	Medical Research "A Date With a Plate"
Inter-Faith Housing Alliance P.O. Box 141 Ambler, PA 19002	1/3/2011	2,000	Social Service General Program Support
Johann Fust Community Library P. O. Box 309/1040 West 10 <sup>th</sup> Street Boca Grande, FL 33921	1/4/2011	2,000	Education General Program Support
Johann Fust Community Library P. O. Box 309/1040 West 10 <sup>th</sup> Street Boca Grande, FL 33921	2/15/2011	5,000	Education 2011 Acquisitions
Life Abundant, Inc. P. O. Box 412 Doylestown, PA 18901	4/10/2011	1,000	Social Service General Program Support
Lyric Fest 1013 Westview Street, 3rd Floor Philadelphia, PA 19119	1/3/2011	5,000	Cultural Arts General Program Support
Meadowood Retirement Community 3205 Skippack Pike, P.O. Box 670 Worcester, PA 19490-0670	5/3/2011	5,000	Health Care Health Center Annual Fund
National Baseball Hall of Fame 25 Main Street Cooperstown, NY 13326-0590	4/10/2011	2,500	Educational F.&P. Steele Internship Program for Youth Leadership

**STRATTON FOUNDATION**  
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<u>Contribution</u>	<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
Pennsylvania State University One Old Main University Park, PA 16802-1500	1/3/2011	5,000	Education Earth & Mineral Sciences Future Fund
Schwenkfelder Library & Heritage Center 105 Seminary Street Pennsburg, PA 18073-1898	1/2/2011	2,750	Education General Program Support
Settlement Music School P O. Box 63966 Philadelphia, PA 19147-3966	1/3/2011	2,000	Education General Program Support
Silver Springs – Martin Luther School 512 W. Township Line Road Plymouth Meeting, PA 19462-1001	10/10/2011	15,800	Education Funding for 2 new computer labs (28 Netbooks & 2 storage carts)
Temple University Public Radio - WRTI 1509 Cecil B. Moore Avenue Philadelphia, PA 19121-3410	1/3/2011	2,750	Cultural Arts General Program Support
The Jefferson Foundation 925 Chestnut Street, Suite 110 Philadelphia, PA 19107-4216	7/12/2011	97,468	Educational The Paul C. Brucker Scholarship Fund
The Will to Live Foundation 300 Brogdon Road, Suite 140 Suwanee, GA 30024	5/4/2011	2,000	Social Service Life Teammates Gala
The Will to Live Foundation 300 Brogdon Road, Suite 140 Suwanee, GA 30024	7/31/2011	10,000	Social Service Contribution to Endowment
WHYY, Inc. Independence Mall West, 150 North Sixth Street Philadelphia, PA 19106	5/29/2011	5,000	Cultural Arts Comprehensive Campaign Support
Wissahickon Valley Public Library 650 Skippack Pike Blue Bell, PA 19422	1/3/2011	2,000	Education General Program Support (Annual Giving Campaign)
Wissahickon Valley Watershed Association 12 Morris Road Ambler, PA 19002-5499	8/28/2011	1,000	Conservation General Program Support
Wissahickon Valley Watershed Association 12 Morris Road Ambler, PA 19002-5499	4/10/2011	12,500	Conservation Green Ribbon Trail Improvements

**STRATTON FOUNDATION**  
EIN: 23-2508658  
Form 990-PF year-ended 12/31/2011

<u>Contribution</u>	<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
YMCA - Camp High Harbor 200 Main Street, Suite 108 Gainesville, GA 30501	7/31/2011	25,000	Social Service Camp Store Improvement Project
<b>TOTAL CONTRIBUTIONS:</b>		<b>\$ <u>339,268</u></b>	

Application for Extension of Time To File an  
Exempt Organization Return

OMB No 1545-1709

► File a separate application for each return.

If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box. ►

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II (on page 2 of this form).

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on e-file for Charities & Nonprofits

**Part I: Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension – check this box and complete Part I only ►

*All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

Enter filer's identifying number, see instructions

Type or print  File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions  STRATTON FOUNDATION	Employer identification number (EIN) or  <input checked="" type="checkbox"/> 23-2508658
	Number, street, and room or suite number. If a P.O. box, see instructions.  THREE FETLOCK LANE	Social security number (SSN)  <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions  BLUE BELL, PA 19422	

Enter the Return code for the return that this application is for (file a separate application for each return)

04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ► ARLENE STRATTON

Telephone No ► 610-941-0888

FAX No ►

• If the organization does not have an office or place of business in the United States, check this box ►

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN)       . If this is for the whole group, check this box ►  . If it is for part of the group, check this box ►  and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 8/15, 20 12, to file the exempt organization return for the organization named above

The extension is for the organization's return for:

►  calendar year 20 11 or

►  tax year beginning                   , 20       , and ending                   , 20       .

2 If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a \$ 0.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b \$ 15,398.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c \$ 0.

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.