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

OMB No. 1545-0052

2011

Department of the Treasury
Internal Revenue Service

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

For calendar year 2011 or tax year beginning

, and ending

Name of foundation THE ELLIS FOUNDATION		A Employer identification number 26-3894940
Number and street (or P.O. box number if mail is not delivered to street address) 7268 MADRONA DRIVE NE		B Telephone number (206) 842-0630
City or town, state, and ZIP code BAINBRIDGE ISLAND, WA 98110		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> Foreign organizations meeting the 85% test 2. check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 2,281,447. (Part I, column (d) must be on cash basis.)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		

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		0.		N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		95,836.	86,593.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		88,873.			STATEMENT 2
b Gross sales price for all assets on line 6a		555,331.			
7 Capital gain net income (from Part IV, line 2)			87,762.		
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		<20,538.>	0.		STATEMENT 3
12 Total. Add lines 1 through 11		164,171.	174,355.		
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		2,035.	0.		0.
c Other professional fees		19,924.	19,924.		0.
17 Interest					
18 Taxes		3,091.	1,258.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses		<53.>	165.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		24,997.	21,347.		0.
25 Contributions, gifts, grants paid		128,250.			128,250.
26 Total expenses and disbursements. Add lines 24 and 25		153,247.	21,347.		128,250.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		10,924.			
b Net investment income (if negative, enter -0-)			153,008.		
c Adjusted net income (if negative, enter -0-)				N/A	

g-88

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	131,579.	50,426.	50,426.
	2 Savings and temporary cash investments			
	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			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations	STMT 8 178,328.	178,313.	192,163.
	b Investments - corporate stock	STMT 9 1,537,083.	1,629,175.	1,857,931.
	c Investments - corporate bonds	STMT 10 149,533.	149,533.	174,438.
Liabilities	11 Investments - land, buildings, and equipment: basis			
	Less: accumulated depreciation			
	12 Investments - mortgage loans			
	13 Investments - other	STMT 11 0.	0.	6,489.
	14 Land, buildings, and equipment: basis			
	Less: accumulated depreciation			
	15 Other assets (describe)			
	16 Total assets (to be completed by all filers)	1,996,523.	2,007,447.	2,281,447.
	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 <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/>			
	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	1,996,523.	2,007,447.	
30 Total net assets or fund balances	1,996,523.	2,007,447.		
31 Total liabilities and net assets/fund balances	1,996,523.	2,007,447.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,996,523.
2 Enter amount from Part I, line 27a	2	10,924.
3 Other increases not included in line 2 (itemize)	3	0.
4 Add lines 1, 2, and 3	4	2,007,447.
5 Decreases not included in line 2 (itemize)	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,007,447.

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 MERRILL LYNCH #0-2005			P	VARIOUS	VARIOUS
b MERRILL LYNCH #0-2005			P	VARIOUS	VARIOUS
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 76,260.		82,856.	<6,596.>		
b 477,960.		383,602.	94,358.		
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a			<6,596.>		
b			94,358.		
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	87,762.	
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	132,599.	2,261,815.	.058625
2009	86,071.	2,101,062.	.040965
2008	0.	1,970,000.	.000000
2007			
2006			

2 Total of line 1, column (d)	2	.099590
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	.033197
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	2,334,876.
5 Multiply line 4 by line 3	5	77,511.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,530.
7 Add lines 5 and 6	7	79,041.
8 Enter qualifying distributions from Part XII, line 4	8	128,250.

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 <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	1,530.
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	1,530.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	1,530.
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	646.	
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	646.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	3.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	887.	
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 <input type="checkbox"/> Refunded <input type="checkbox"/>	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. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 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
b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
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) <input type="checkbox"/> WA		
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

Form 990-PF (2011)

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 ► EDMUND ELLIS, III Telephone no. ► 206-842-0630			
Located at ► 7268 MADRONA DRIVE NE, BAINBRIDGE ISLAND, WA ZIP+4 ► 98110				
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?	16	Yes	No
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►				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.

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**c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?****2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):****a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?**If "Yes," list the years ► ☐ 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.)**If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ☐ N/A**3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?**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.) ☐ Yes ☒ No**4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?****b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?**

	Yes	No
11		X
12		X
13	X	
15	N/A	
16		X
1b		
1c		X
2a		
2b		
3a		
3b		
4a		X
4b		X

Form 990-PF (2011)

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on 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 ☒ 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)? ☐ Yes ☒ NoOrganizations relying on a current notice regarding disaster assistance check here ☐ ☒ N/Ac If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No

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

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

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ Nob If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**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 12		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

Form 990-PF (2011)

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	2,209,801.
b Average of monthly cash balances	1b	160,631.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	2,370,432.
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	2,370,432.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	35,556.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,334,876.
6 Minimum investment return. Enter 5% of line 5	6	116,744.

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	116,744.
2a Tax on investment income for 2011 from Part VI, line 5	2a	1,530.	
b Income tax for 2011. (This does not include the tax from Part VI.)	2b		
c Add lines 2a and 2b	2c	1,530.	
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	115,214.	
4 Recoveries of amounts treated as qualifying distributions	4	0.	
5 Add lines 3 and 4	5	115,214.	
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	115,214.	

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	128,250.
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	128,250.
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	1,530.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	126,720.

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				115,214.
2 Undistributed Income, if any, as of the end of 2011:				
a Enter amount for 2010 only			202.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$ 128,250.				
a Applied to 2010, but not more than line 2a ...			202.	
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				115,214.
e Remaining amount distributed out of corpus	12,834.			
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, 4a, and 4e. Subtract line 5	12,834.			
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	12,834.			
10 Analysis of line 9:				
a Excess from 2007 ...				
b Excess from 2008 ...				
c Excess from 2009 ...				
d Excess from 2010 ...				
e Excess from 2011 ...	12,834.			

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
TOTAL GRANTS AND CONTRIBUTIONS - SEE ATTACHED STATEMENT				128,250.
Total			3a	128,250.
b Approved for future payment				
NONE				
Total			3b	0.

Schedule B
(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No. 1545-0047

2011

Name of the organization

THE ELLIS FOUNDATION

Employer identification number

26-3894940

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 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).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. **Schedule B (Form 990, 990-EZ, or 990-PF) (2011)**

Name of organization

Employer identification number

THE ELLIS FOUNDATION

26-3894940

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	EDMUND G. AND JOANNE ELLIS 341 SHEPHARD WAY NW BAINBRIDGE ISLAND, WA 98110	\$	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

THE ELLIS FOUNDATION

26-3894940

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
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

Employer identification number

THE ELLIS FOUNDATION**26-3894940**

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 columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once.) ▶ \$ _____

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
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

<u>SOURCE</u>	<u>GROSS AMOUNT</u>	<u>CAPITAL GAINS DIVIDENDS</u>	<u>COLUMN (A) AMOUNT</u>
ENERGY TRANSFER PARTNERS, L.P. DIVIDENDS	129.	0.	129.
ENERGY TRANSFER PARTNERS, L.P. INTEREST	65.	0.	65.
ENERGY, L.P. DIVIDENDS	42.	0.	42.
MERRILL LYNCH TAX-EXEMPT INTEREST	9,243.	0.	9,243.
MERRILL LYNCH TAXABLE DIVIDENDS	76,669.	0.	76,669.
MERRILL LYNCH TAXABLE INTEREST	9,688.	0.	9,688.
<hr/> TOTAL TO FM 990-PF, PART I, LN 4	<hr/> 95,836.	<hr/> 0.	<hr/> 95,836.

FORM 990-PF

GAIN OR (LOSS) FROM SALE OF ASSETS

STATEMENT

2

(A) DESCRIPTION OF PROPERTY			MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
MERRILL LYNCH #0-2005				VARIOUS	VARIOUS
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS	
76,260.	82,856.	0.	0.	<6,596.>	

(A) DESCRIPTION OF PROPERTY			MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
MERRILL LYNCH #0-2005				VARIOUS	VARIOUS
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS	
477,960.	383,602.	0.	0.	94,358.	

(A) DESCRIPTION OF PROPERTY			MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
INERGY, L.P. - ORDINARY GAIN			PURCHASED	02/16/11	12/13/11
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS	
949.	0.	0.	0.	949.	

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	
INERGY, L.P. - ORDINARY GAIN	PURCHASED	12/02/10	12/13/11	
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
162.	0.	0.	0.	162.

NET GAIN OR LOSS FROM SALE OF ASSETS	88,873.
CAPITAL GAINS DIVIDENDS FROM PART IV	0.
TOTAL TO FORM 990-PF, PART I, LINE 6A	88,873.

FORM 990-PF	OTHER INCOME	STATEMENT	3
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
ENERGY TRANSFER PARTNERS, L.P. ORDINARY INCOME	<15,372.>	0.	
INERGY, L.P. ORDINARY INCOME	<6,322.>	0.	
MERRILL LYNCH #0-2005 OTHER INCOME	1,156.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	<20,538.>	0.	

FORM 990-PF	ACCOUNTING FEES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
RAUPC	2,035.	0.		0.
TO FORM 990-PF, PG 1, LN 16B	2,035.	0.		0.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MANAGEMENT FEES	19,924.	19,924.		0.
TO FORM 990-PF, PG 1, LN 16C	19,924.	19,924.		0.

FORM 990-PF	TAXES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	1,833.	0.		0.
FOREIGN TAXES PAID	1,258.	1,258.		0.
TO FORM 990-PF, PG 1, LN 18	3,091.	1,258.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	7
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
WA STATE FEES	110.	0.		0.
BANK FEES	165.	165.		0.
NONDEDUCTIBLE EXPENSES FROM PASSTHROUGH	15.	0.		0.
BOOK TAX DIFFERENCE	<343.>	0.		0.
TO FORM 990-PF, PG 1, LN 23	<53.>	165.		0.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 8

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
MUNICIPAL BONDS	X		178,313.	192,163.
TOTAL U.S. GOVERNMENT OBLIGATIONS			178,313.	192,163.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			178,313.	192,163.

FORM 990-PF CORPORATE STOCK STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
EQUITIES	854,882.	965,055.
ENERGY TRANSFER PARTNERS, L.P.	64,372.	106,075.
INERGY, L.P.	81,334.	61,050.
MUTUAL FUNDS	628,587.	725,751.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,629,175.	1,857,931.

FORM 990-PF CORPORATE BONDS STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS	149,533.	174,438.
TOTAL TO FORM 990-PF, PART II, LINE 10C	149,533.	174,438.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 11
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
ACCRUED INTEREST	COST	0.	6,489.
TOTAL TO FORM 990-PF, PART II, LINE 13		0.	6,489.

FORM 990-PF	PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS	STATEMENT 12
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
EDMUND G. ELLIS III 341 SHEPHARD WAY NW BAINBRIDGE ISLAND, WA 98110	PRESIDENT 0.00	0.	0.	0.
CHARLES ELLIS 341 SHEPHARD WAY NW BAINBRIDGE ISLAND, WA 98110	VICE PRESIDENT 0.00	0.	0.	0.
JOANNE ELLIS 341 SHEPHARD WAY NW BAINBRIDGE ISLAND, WA 98110	SECRETARY 0.00	0.	0.	0.
ROBYN ELLIS 341 SHEPHARD WAY NW BAINBRIDGE ISLAND, WA 98110	TREASURER 0.00	0.	0.	0.
CHRISTINA ELLIS 341 SHEPHARD WAY NW BAINBRIDGE ISLAND, WA 98110	SERGEANT AT ARMS 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

PART XV - LINE 1A
LIST OF FOUNDATION MANAGERS

STATEMENT 13

NAME OF MANAGER

EDMUND G. ELLIS III
JOANNE ELLIS

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 14

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

JOANNE ELLIS
7868 MADRONA DRIVE NE
BAINBRIDGE ISLAND, WA 98110

TELEPHONE NUMBER

206-842-0630

FORM AND CONTENT OF APPLICATIONS

THE FOUNDATION HAS A GRANT APPLICATION FORM WHICH CAN BE OBTAINED BY
CALLING THE FOUNDATION AND REQUESTING A GRANT APPLICATION FORM.

ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

THE ELLIS FOUNDATION CONCENTRATES ITS GIVING IN THE AREAS OF THE
ENVIRONMENT, EDUCATION AND HUMANITARIAN ENDEAVORS.

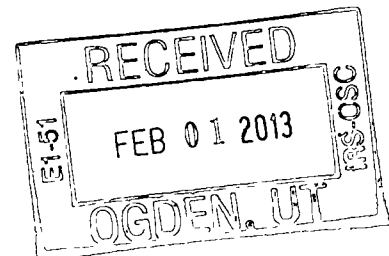
**THE ELLIS FOUNDATION
EIN: 26-3894940**

**A STATEMENT ATTACHED TO AND MADE PART OF
FORM 990-PF, RETURN OF PRIVATE FOUNDATION
OR SECTION 4947(A)(1) NONEXEMPT CHARITABLE TRUST
TREATED AS A PRIVATE FOUNDATION
FOR THE YEAR ENDED DECEMBER 31, 2011**

Part XV, Supplementary Information (continued),

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

\$1,000	Adrienne Shelly Foundation 16 West 22 nd Street 11 th Floor New York, NY 10010 Purpose of Grant: General Purposes
\$2,000	Alleycat Acres c/o Sustainable Seattle 1402 3 rd Avenue, Suite 430 Seattle, WA 98101 Purpose of Grant: General Purposes
\$5,000	Bainbridge Graduate Institute 284 Madrona Way NE, Suite 124 Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$3,000	Bainbridge Island Arts and Humanities Council 221 Winslow Way West #201 Bainbridge Island, WA 98110-4916 Purpose of Grant: General Purposes
\$5,000	Bainbridge Island Land Trust P.O. Box 10144 Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$10,000	Bainbridge Performing Arts 200 Madison Avenue North Bainbridge Island, WA 98110-1812 Purpose of Grant: General Purposes
\$500	Bainbridge Schools Foundation 8489 Madison Avenue NE Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$5,000	Bard College PO Box 5000 Annandale-on-Hudson, NY 12504-5000 Purpose of Grant: General Purposes



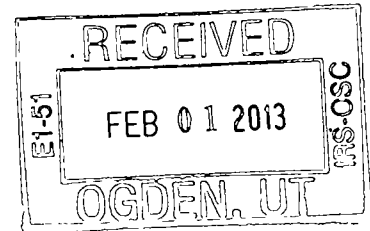
\$2,500	Bloedel Reserve 7571 NE Dolphin Drive Bainbridge Island, WA 98110-1097 Purpose of Grant: General Purposes
\$1,000	Country Doctor Community Health Centers 500 19th Avenue E. Seattle, WA 98112 Purpose of Grant: General Purposes
\$1,500	Emergency Feeding Program 7100 42nd Avenue South Seattle, WA 98118 Purpose of Grant: General Purposes
\$5,000	Helpline House 282 Knechtel Way NE Bainbridge Island, WA 98110-2841 Purpose of Grant: General Purposes
\$3,000	Heifer International 1 World Avenue Little Rock, AR 72202 Purpose of Grant: General Purposes
\$1,500	Hospice of Kitsap County 3100 NW Bucklin Hill Road Silverdale, WA 98383-8362 Purpose of Grant: General Purposes
\$500	Hyla Middle School 7861 Bucklin Hill Road Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$5,000	Islandwood 4450 Blakely Avenue NE Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$1,000	KCTS (Channel 9 Seattle) 401 Mercer Street Seattle, WA 98109 Purpose of Grant: General Purposes
\$1,000	KEXP (90.3 Seattle) 113 Dexter Avenue North Seattle, WA 98109 Purpose of Grant: General Purposes

\$1,000	Kitsap Regional Library Foundation 1301 Sylvan Way Bremerton, WA 98310 Purpose of Grant: General Purposes
\$1,000	KNHC-FM (89.5 Seattle) 10750 30th Avenue NE Suite 219 Seattle WA, 98125 Purpose of Grant: General Purposes
\$1,000	KPLU (88.5 Seattle/Tacoma) 12180 Park Avenue South Tacoma, WA 98447 Purpose of Grant: General Purposes
\$1,000	KUOW (94.9 Seattle) 4518 University Way NE, Suite 310 Seattle WA 98105 Purpose of Grant: General Purposes
\$5,000	Knox College 2 East South Street Galesburg, Illinois 61401-4999 Purpose of Grant: General Purposes
\$5,000	Mercy Corps 45 SW Ankeny Street Portland, OR 97204 Purpose of Grant: General Purposes
\$1,000	Olympic College Foundation 1600 Chester Avenue Bremerton, WA 98337-1699 Purpose of Grant: General Purposes
\$5,000	One Call for All PO Box 10487 Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$10,000	Pacific Science Center 200 2nd Avenue North Seattle, WA 98109-4816 Purpose of Grant: General Purposes
\$5,000	Planned Parenthood 434 West 33rd Street New York, NY 10001 Purpose of Grant: General Purposes

\$10,000	Saint Barnabas Church 1187 Wyatt Way NW Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$1,000	Seattle Public Library 1000 4 th Avenue Seattle, WA 98104 Purpose of Grant: General Purposes
\$5,000	Solid Ground 1501 North 45th Street Seattle, WA 98103-6708 Purpose of Grant: General Purposes
\$15,000	Tenants Union of Washington 5425 Rainer Avenue South Seattle, WA 98118-2455 Purpose of Grant: General Purposes
\$1,000	The Rotary Foundation 1560 Sherman Avenue Evanston, IL 60201-3698 Purpose of Grant: General Purposes
\$1,000	The Vera Project 305 Harrison Street Seattle, WA 98109 Purpose of Grant: General Purposes
\$1,000	University of Oregon Foundation 1720 East 13 th Avenue, Suite 410 Eugene, OR 97403-1905 Purpose of Grant: General Purposes
\$1,000	West Sound Wildlife Shelter 7501 NE Dolphin Drive Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
<u>\$4,750</u>	Willamette University Office of Annual Giving 900 State Street Salem, OR 97301 Purpose of Grant: General Purposes
\$128,250	Total Grants Made in 2011

THE ELLIS FOUNDATION
ML 66S-02005
FOR THE YEAR ENDED DECEMBER 31, 2011

EIN: 26-3894940



Security Description	Quantity	Date Acquired	Date Liquidated	Sales Price	Cost Basis	Gain or (Loss)
NOKIA CORP SPON ADR	1000.0000	01/14/11	02/10/11	10,820	10,830	(10)
IVY GLBL NATRL RES CL I	0.2930	08/18/10	02/16/11	7	5	2
BANCO SANTAN DER SA ADR	100.0000	05/12/10	03/16/11	1,101	1,166	(65)
BANCO SANTANDER SA ADR	3800.0000	05/12/10	03/16/11	41,837	44,308	(2,469)
BANCO SANTANDER SA ADR	100.0000	05/12/10	03/16/11	1,101	1,166	(65)
NOKIA CORP SPON ADR	1000.0000	01/18/11	04/18/11	8,350	8,885	(535)
GRUPO TELEVISA SA ADR	100.0000	10/19/10	07/14/11	2,187	2,185	2
GRUPO TELEVISA SA ADR	150.0000	10/19/10	07/14/11	3,280	3,278	3
REDWOOD TRUST INC	500.0000	12/08/10	11/09/11	5,275	7,173	(1,898)
INERGY L.P.	100.0000	02/16/11	12/13/11	2,302	4,195	(1,893)
PTP ADJUSTMENT					(332)	332

TOTAL REALIZED SHORT-TERM CAPITAL GAIN (LOSS)

76,260 82,856 (6,596)

MERCK AND CO INC SHS	500.0000	03/11/09	01/14/11	17,245	10,955	6,290
MERCK AND CO INC SHS	192.0000	03/13/09	01/14/11	6,622	5,134	1,488
SENTINEL SHT MAT GOV A	0.0320	05/22/09	02/16/11	0	0	-
SENTINEL SHT MAT GOV A	1368.0000	08/02/09	02/16/11	12,558	12,545	14
SENTINEL SHT MAT GOV A	5452.0000	08/23/09	02/16/11	50,049	49,995	55
SENTINEL SHT MAT GOV A	1.0000	08/28/09	02/16/11	9	9	0
SENTINEL SHT MAT GOV A	5440.0000	07/28/09	02/16/11	49,939	49,994	(54)
SENTINEL SHT MAT GOV A	2162.0000	12/23/09	02/16/11	19,847	19,999	(151)
SENTINEL SHT MAT GOV A	1.0000	12/29/09	02/16/11	9	9	(0)
IVY GLBL NATRL RES CL I	2721.0000	04/16/09	02/16/11	63,690	29,998	33,692
IVY GLBL NATRL RES CL I	274.0000	04/28/09	02/16/11	6,403	2,993	3,410
TEEKAY CORP	100.0000	08/24/09	02/24/11	3,398	2,050	1,348
TEEKAY CORP	400.0000	08/25/09	02/24/11	13,592	8,200	5,392
TEEKAY CORP	200.0000	08/18/09	02/24/11	6,796	3,582	3,214
TEEKAY CORP	300.0000	08/18/09	02/24/11	10,200	5,373	4,827
TEEKAY CORP	600.0000	08/18/09	02/24/11	20,406	10,746	9,660
TEEKAY CORP	100.0000	08/18/09	02/24/11	3,402	1,791	1,611
TEEKAY CORP	100.0000	08/18/09	02/24/11	3,404	1,791	1,613
TEEKAY CORP	200.0000	08/18/09	02/24/11	6,810	3,582	3,228
BOEING COMPANY	1000.0000	01/12/10	04/13/11	71,889	60,208	11,681
FRONTIER COMMUNICATIONS	120.0000	08/15/09	04/07/11	984	919	44
FRONTIER COMMUNICATIONS	48.0000	08/16/09	04/07/11	385	367	19
FRONTIER COMMUNICATIONS	72.0000	08/22/09	04/07/11	578	556	22
FRONTIER COMMUNICATIONS	60.0000	07/02/09	04/07/11	482	472	10
FRONTIER COMMUNICATIONS	60.0000	07/08/09	04/07/11	482	469	13
FRONTIER COMMUNICATIONS	48.0000	07/09/09	04/07/11	385	353	33
FRONTIER COMMUNICATIONS	44.0000	07/17/09	04/07/11	353	335	19
FRONTIER COMMUNICATIONS	76.0000	07/17/09	04/07/11	611	578	33
FRONTIER COMMUNICATIONS	24.0000	08/10/09	04/07/11	193	191	2
FRONTIER COMMUNICATIONS	72.0000	08/10/09	04/07/11	578	573	5
FRONTIER COMMUNICATIONS	98.0000	08/11/09	04/07/11	771	760	11
FRONTIER COMMUNICATIONS	60.0000	08/17/09	04/07/11	482	471	11
FRONTIER COMMUNICATIONS	120.0000	10/09/09	04/07/11	984	902	82
FRONTIER COMMUNICATIONS	48.0000	10/16/09	04/07/11	386	360	26
FRONTIER COMMUNICATIONS	12.0000	10/16/09	04/07/11	96	80	16
GRUPO TELEVISA SA ADR	250.0000	05/08/10	07/14/11	5,485	4,712	773
GRUPO TELEVISA SA ADR	750.0000	05/08/10	07/14/11	16,402	14,136	2,266

GRUPO TELEVISA SA ADR	300.0000	05/07/10	07/14/11	6,561	5,562	999
GRUPO TELEVISA SA ADR	200.0000	05/07/10	07/14/11	4,374	3,710	664
REDWOOD TRUST INC	500.0000	01/12/10	10/03/11	5,510	7,596	(2,085)
REDWOOD TRUST INC	100.0000	01/12/10	10/03/11	1,103	1,519	(416)
REDWOOD TRUST INC	100.0000	01/12/10	10/03/11	1,103	1,519	(416)
REDWOOD TRUST INC	300.0000	01/12/10	11/09/11	3,165	4,557	(1,392)
WILLIS GROUP HOLDINGS	700.0000	01/12/10	11/23/11	23,737	19,040	4,697
WILLIS GROUP HOLDINGS	300.0000	01/12/10	11/23/11	10,173	8,163	2,010
INERGY L.P.	100.0000	12/02/10	12/13/11	2,302	3,799	(1,497)
PTP ADJUSTMENT					(401)	401
INERGY L.P.	400.0000	12/02/10	12/13/11	9,208	15,200	(5,992)
PTP ADJUSTMENT					(1,603)	1,603
IVY GLBL NATRL RES CL I	641.0000	04/28/09	12/12/11	11,141	7,002	4,138
IVY GLBL NATRL RES CL I	222.0000	05/05/09	12/12/11	3,858	2,741	1,117
IVY GLBL NATRL RES CL I	0.0610	06/18/10	12/12/11	1	1	0

TOTAL REALIZED LONG-TERM CAPITAL GAIN (LOSS)

477,960 383,602 94,358

GRAND TOTAL REALIZED CAPITAL GAIN (LOSS)

554,220 466,458 87,762

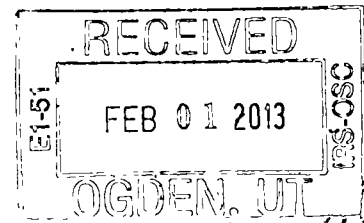
**THE ELLIS FOUNDATION
EIN: 26-3894940**

**A STATEMENT ATTACHED TO AND MADE PART OF
FORM 990-PF, RETURN OF PRIVATE FOUNDATION
OR SECTION 4947(A)(1) NONEXEMPT CHARITABLE TRUST
TREATED AS A PRIVATE FOUNDATION
FOR THE YEAR ENDED DECEMBER 31, 2011**

Part XV, Supplementary Information (continued),

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

\$1,000	Adrienne Shelly Foundation 16 West 22 nd Street 11 th Floor New York, NY 10010 Purpose of Grant: General Purposes
\$2,000	Alleycat Acres c/o Sustainable Seattle 1402 3 rd Avenue, Suite 430 Seattle, WA 98101 Purpose of Grant: General Purposes
\$5,000	Bainbridge Graduate Institute 284 Madrona Way NE, Suite 124 Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$3,000	Bainbridge Island Arts and Humanities Council 221 Winslow Way West #201 Bainbridge Island, WA 98110-4916 Purpose of Grant: General Purposes
\$5,000	Bainbridge Island Land Trust P.O. Box 10144 Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$10,000	Bainbridge Performing Arts 200 Madison Avenue North Bainbridge Island, WA 98110-1812 Purpose of Grant: General Purposes
\$500	Bainbridge Schools Foundation 8489 Madison Avenue NE Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$5,000	Bard College PO Box 5000 Annandale-on-Hudson, NY 12504-5000 Purpose of Grant: General Purposes



\$2,500	Bloedel Reserve 7571 NE Dolphin Drive Bainbridge Island, WA 98110-1097 Purpose of Grant: General Purposes
\$1,000	Country Doctor Community Health Centers 500 19 th Avenue E. Seattle, WA 98112 Purpose of Grant: General Purposes
\$1,500	Emergency Feeding Program 7100 42 nd Avenue South Seattle, WA 98118 Purpose of Grant: General Purposes
\$5,000	Helpline House 282 Knechtel Way NE Bainbridge Island, WA 98110-2841 Purpose of Grant: General Purposes
\$3,000	Heifer International 1 World Avenue Little Rock, AR 72202 Purpose of Grant: General Purposes
\$1,500	Hospice of Kitsap County 3100 NW Bucklin Hill Road Silverdale, WA 98383-8362 Purpose of Grant: General Purposes
\$500	Hyla Middle School 7861 Bucklin Hill Road Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$5,000	Islandwood Wildlife Shelter 4450 Blakely Avenue NE Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$1,000	KCTS (Channel 9 Seattle) 401 Mercer Street Seattle, WA 98109 Purpose of Grant: General Purposes
\$1,000	KEXP (90.3 Seattle) 113 Dexter Avenue North Seattle, WA 98109 Purpose of Grant: General Purposes

\$1,000	Kitsap Regional Library Foundation 1301 Sylvan Way Bremerton, WA 98310 Purpose of Grant: General Purposes
\$1,000	KNHC-FM (89.5 Seattle) 10750 30th Avenue NE Suite 219 Seattle WA, 98125 Purpose of Grant: General Purposes
\$1,000	KPLU (88.5 Seattle/Tacoma) 12501 Park Avenue South Tacoma, WA 98447 Purpose of Grant: General Purposes
\$1,000	KUOW (94.9 Seattle) 4518 University Way NE, Suite 310 Seattle WA 98105 Purpose of Grant: General Purposes
\$5,000	Knox College 2 East South Street Galesburg, Illinois 61401-4999 Purpose of Grant: General Purposes
\$5,000	Mercy Corps Dept. W PO Box 2669 Portland, OR 97208-2669 Purpose of Grant: General Purposes
\$1,000	Olympic College 1600 Chester Avenue Bremerton, WA 98337-1699 Purpose of Grant: General Purposes
\$5,000	One Call for All PO Box 10487 Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$10,000	Pacific Science Center 200 2nd Avenue North Seattle, WA 98109-4816 Purpose of Grant: General Purposes
\$5,000	Planned Parenthood 2001 East Madison Street Seattle, WA 98122-2959 Purpose of Grant: General Purposes

\$10,000	Saint Barnabas Church 1187 Wyatt Way NW Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
\$1,000	Seattle Public Library 1000 4th Avenue Seattle, WA 98104 Purpose of Grant: General Purposes
\$5,000	Solid Ground 1501 North 45th Street Seattle, WA 98103-6708 Purpose of Grant: General Purposes
\$15,000	Tenants Union of Washington 5425 Rainer Avenue South Seattle, WA 98118-2455 Purpose of Grant: General Purposes
\$1,000	The Rotary Foundation 1560 Sherman Avenue Evanston, IL 60201-3698 Purpose of Grant: General Purposes
\$1,000	The Vera Project 305 Harrison Street Seattle, WA 98109 Purpose of Grant: General Purposes
\$1,000	University of Oregon Foundation 1720 East 13th Avenue, Suite 410 Eugene, OR 97403-1905 Purpose of Grant: General Purposes
\$1,000	West Sound Wildlife Shelter 7501 NE Dolphin Drive Bainbridge Island, WA 98110 Purpose of Grant: General Purposes
<u>\$4,750</u>	Willamette University Office of Annual Giving 900 State Street Salem, OR 97301 Purpose of Grant: General Purposes
\$128,250	Total Grants Made in 2011