Form **990-PF**
Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2011

For calendar year 2011 or tax year beginning , 2011, and ending , 20

Name of foundation
JOHN & VELMA HALEY CHARITABLE TRUST 438586018

A Employer identification number
26-6919906

Number and street (or P O box number if mail is not delivered to street address)
717 WEST SPRAGUE

Room/suite

B Telephone number (see instructions)
(509) 353-3898

City or town, state, and ZIP code
SPOKANE, WA 99201

C If exemption application is pending, check here ▶ ☐

D 1 Foreign organizations, check here ▶ ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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 *(from Part II, col. (c), line 16)* ▶ $ 738,447.

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

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

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		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ▶ ☒ if the foundation is **not** required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	22,869.	22,612.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	15,032.			
	b Gross sales price for all assets on line 6a 187,181.				
	7 Capital gain net income (from Part IV, line 2)		15,032.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	40.			
	12 **Total.** Add lines 1 through 11	37,941.	37,644.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	8,980.	8,980.		
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) STMT 1	600.	NONE	NONE	600.
	c Other professional fees (attach schedule) STMT 2	25.	25.		
	17 Interest				
	18 Taxes (attach schedule) (see instructions) STMT 3	412.	74.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)				
	24 **Total operating and administrative expenses.** Add lines 13 through 23	10,017.	9,079.	NONE	600.
	25 Contributions, gifts, grants paid	34,002.			34,002.
	26 **Total expenses and disbursements** Add lines 24 and 25	44,019.	9,079.	NONE	34,602.
	27 Subtract line 26 from line 12				
	a **Excess of revenue over expenses and disbursements**	-6,078.			
	b **Net investment income** (if negative, enter -0-)		28,565.		
	c **Adjusted net income** (if negative, enter -0-)				

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Part II Balance Sheets

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule)			
	c	Investments - corporate bonds (attach schedule)			
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)	680,053.	675,014.	738,447.
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers - see the instructions. Also, see page 1, item I)	680,053.	675,014.	738,447.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)			
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☒			
	27	Capital stock, trust principal, or current funds	680,053.	675,014.	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	680,053.	675,014.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	680,053.	675,014.	

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	680,053.
2	Enter amount from Part I, line 27a	2	-6,078.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 4	3	1,554.
4	Add lines 1, 2, and 3	4	675,529.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 5	5	515.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	675,014.

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	PUBLICLY TRADED SECURITIES			
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	184,739.		172,149.	12,590.
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(i) F M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				12,590.
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	15,032.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8	3	

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 (col (b) divided by col (c))
2010	35,397.	758,040.	0.046695
2009	NONE	739,911.	NONE
2008			
2007			
2006			

2 **Total** of line 1, column (d)	2	0.046695
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.023348
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	727,370.
5 Multiply line 4 by line 3	5	16,983.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	286.
7 Add lines 5 and 6	7	17,269.
8 Enter qualifying distributions from Part XII, line 4	8	34,602.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. . . . Date of ruling or determination letter ________________ (attach copy of letter if necessary - see instructions)				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b			1	286.
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	
3	Add lines 1 and 2			3	286.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-) . . .			4	NONE
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	286.
6	Credits/Payments:				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	192.		
b	Exempt foreign organizations - tax withheld at source	6b	NONE		
c	Tax paid with application for extension of time to file (Form 8868)	6c	NONE		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments. Add lines 6a through 6d			7	192.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** . . . . ▶			9	94.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** . . . . ▶			10	
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶ **Refunded** ▶			11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. (1) On the foundation ▶ $ ________________ (2) On foundation managers ▶ $ ________________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ________________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? . . . . *If "Yes," attach a detailed description of the activities.*	2		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . *If "Yes," attach the statement required by General Instruction T.*	5		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?	6	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*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ 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*	8b	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*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

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

			Yes	No
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 ▶ WASHINGTON TR. BANK Telephone no. ▶ (509)353-3898

Located at ▶ PO BOX 2127, SPOKANE, WA ZIP + 4 ▶ 99210-2127

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

			Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1. If "Yes," enter the name of the foreign country ▶			

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

	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☒ Yes ☐ No If "Yes," list the years ▶ 2010 , , ,			
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	X	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ , , ,			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2011 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)*	3b		
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))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **5b**

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

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

If "Yes," attach the statement required by Regulations section 53 4945-5(d).

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **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		34,002.	-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		NONE	NONE	NONE

Total number of other employees paid over $50,000 ▶ NONE

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

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

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

Total number of others receiving over $50,000 for professional services . . . ▶ NONE

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See instructions 3 NONE	
Total. Add lines 1 through 3 . . . ▶	

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	717,722.
b	Average of monthly cash balances	1b	20,725.
c	Fair market value of all other assets (see instructions)	1c	NONE
d	**Total** (add lines 1a, b, and c)	1d	738,447.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	738,447.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	11,077.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	727,370.
6	**Minimum investment return.** Enter 5% of line 5	6	36,369.

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	36,369.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	286.		
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	286.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	36,083.
4	Recoveries of amounts treated as qualifying distributions			4	NONE
5	Add lines 3 and 4			5	36,083.
6	Deduction from distributable amount (see instructions)			6	NONE
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	36,083.

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	34,602.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	34,602.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	286.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	34,316.

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					36,083.
2	Undistributed income, if any, as of the end of 2011					
a	Enter amount for 2010 only				37,710.	
b	Total for prior years 20 09 ,20 ____ ,20 ____			1,126.		
3	Excess distributions carryover, if any, to 2011.					
a	From 2006	NONE				
b	From 2007	NONE				
c	From 2008	NONE				
d	From 2009	NONE				
e	From 2010	NONE				
f	**Total** of lines 3a through e		NONE			
4	Qualifying distributions for 2011 from Part XII, line 4. ▶ $ 34,602.					
a	Applied to 2010, but not more than line 2a				33,476.	
b	Applied to undistributed income of prior years (Election required - see instructions)			1,126.		
c	Treated as distributions out of corpus (Election required - see instructions)		NONE			
d	Applied to 2011 distributable amount					NONE
e	Remaining amount distributed out of corpus		NONE			
5	Excess distributions carryover applied to 2011 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		NONE			NONE
6	**Enter the net total of each column as indicated below:**					
a	Corpus. Add lines 3f, 4c, and 4e Subtract line 5		NONE			
b	Prior years' undistributed income Subtract line 4b from line 2b					
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			NONE		
d	Subtract line 6c from line 6b Taxable amount - see instructions					
e	Undistributed income for 2010. Subtract line 4a from line 2a Taxable amount - see instructions				4,234.	
f	Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012					36,083.
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)		NONE			
8	Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)		NONE			
9	**Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a		NONE			
10	Analysis of line 9.					
a	Excess from 2007	NONE				
b	Excess from 2008	NONE				
c	Excess from 2009	NONE				
d	Excess from 2010	NONE				
e	Excess from 2011	NONE				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling . . . . ▶

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

	Tax year	Prior 3 years			
	(a) 2011	**(b)** 2010	**(c)** 2009	**(d)** 2008	**(e) Total**
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed .					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test - enter **(1)** Value of all assets . . .					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i).					
b "Endowment" alternative test- enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . .					
c "Support" alternative test - enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income .					

Part XV Supplementary Information (Complete this part only if the foundation 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).)

N/A

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.

N/A

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

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

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SEE STATEMENT 7				
Total . . . . ▶ **3a**				34,002.
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue.					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	22,869.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	15,032.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue. a					
b OTHER REVENUE			1	40.	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				37,941.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . . 13 37,941.

(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.)
	NOT APPLICABLE

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

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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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

05/09/2012

Signature of officer or trustee | Date | Title

AUTHORIZED OFFICER

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
WESLEY HIRSCHBERG	Wesley Hirschberg	05/09/2012		P00162244

Firm's name ▶ THOMSON REUTERS (TAX & ACCOUNTING) Firm's EIN ▶ 75-1297386

Firm's address ▶ ONE NORTH DEARBORN ST., 5TH FLOOR
CHICAGO, IL 60602 Phone no. 312-873-6900

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION		AMOUNT
OID INCOME ON USGI		1,552.
ROUNDING		2.
	TOTAL	1,554.

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION	AMOUNT
USGI BASIS ADJUSTMENT	515.
TOTAL	515.

STATEMENT 5

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

OFFICER NAME:
WASHINGTON TRUST BANK
ADDRESS:
PRIVATE BANKING - PO BOX 2127
SPOKANE, WA 99210-212
TITLE:
TRUSTEE
AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 1
COMPENSATION .... 34,002.

TOTAL COMPENSATION: 34,002.

STATEMENT 6

FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID

RECIPIENT NAME:
LILAC SERVICES FOR THE BLIND
ADDRESS:
1212 N. HOWARD
SPOKANE, WA 99201
AMOUNT OF GRANT PAID .... 4,002.

RECIPIENT NAME:
MOODY BIBLE INSTITUTE
ADDRESS:
ATTN: LUKE RAAD
CHICAGO, IL 60610
AMOUNT OF GRANT PAID .... 10,000.

RECIPIENT NAME:
THE MOODY CHURCH
ADDRESS:
ATTN: MICHAEL PITTS
CHICAGO, IL 60614
AMOUNT OF GRANT PAID .... 10,000.

RECIPIENT NAME:
OPEN BIBLE CHURCH OF THE VALLEY
ADDRESS:
GARY HEBDEN
SPOKANE, WA 99216
AMOUNT OF GRANT PAID .... 10,000.

TOTAL GRANTS PAID: 34,002.

Form **4720**

Department of the Treasury
Internal Revenue Service

Return of Certain Excise Taxes Under Chapters 41 and 42 of the Internal Revenue Code

(Sections 170(f)(10), 664(c)(2), 4911, 4912, 4941, 4942, 4943, 4944, 4945, 4955, 4958, 4965, 4966, and 4967)

▶ See separate Instructions.

OMB No 1545-0052

2011

For calendar year 2011 or other tax year beginning , 2011, and ending , 20

Name of organization or entity: JOHN & VELMA HALEY CHARITABLE TRUST 438586018

Employer identification number: 26-6919906

Number, street, and room or suite no (or P O box if mail is not delivered to street address): 717 WEST SPRAGUE

City or town, state, and ZIP code: SPOKANE, WA 99201

Check box for type of annual return

☐ Form 990 ☐ Form 990-EZ
☒ Form 990-PF
☐ Form 5227

		Yes	No
A	Is the organization a foreign private foundation within the meaning of section 4948(b)?		
B	Has corrective action been taken on any taxable event that resulted in Chapter 42 taxes being reported on this form? (Enter "N/A" if not applicable)		

If "Yes," attach a detailed description and documentation of the corrective action taken and, if applicable, enter the fair market value of any property recovered as a result of the correction ▶ $ ____________ . If "No," (i.e., any uncorrected acts, or transactions), attach an explanation (see instructions).

Part I **Taxes on Organization** (Sections 170(f)(10), 664(c)(2), 4911(a), 4912(a), 4942(a), 4943(a), 4944(a)(1), 4945(a)(1), 4955(a)(1), 4965(a)(1), and 4966(a)(1))

1	Tax on undistributed income - Schedule B, line 4	1	1,270.
2	Tax on excess business holdings - Schedule C, line 7	2	
3	Tax on investments that jeopardize charitable purpose - Schedule D, Part I, column (e)	3	
4	Tax on taxable expenditures - Schedule E, Part I, column (g)	4	
5	Tax on political expenditures - Schedule F, Part I, column (e)	5	
6	Tax on excess lobbying expenditures - Schedule G, line 4	6	
7	Tax on disqualifying lobbying expenditures - Schedule H, Part I, column (e)	7	
8	Tax on premiums paid on personal benefit contracts	8	
9	Tax on being a party to prohibited tax shelter transactions - Schedule J, Part I, column (h)	9	
10	Tax on taxable distributions - Schedule K, Part I, column (f)	10	
11	Tax on a charitable remainder trust's unrelated business taxable income. Attach schedule	11	
12	**Total** (add lines 1-11)	12	1,270.

Part II-A **Taxes on Managers, Self-Dealers, Disqualified Persons, Donors, Donor Advisors, and Related Persons**
(Sections 4912(b), 4941(a), 4944(a)(2), 4945(a)(2), 4955(a)(2), 4958(a), 4965(a)(2), 4966(a)(2), and 4967(a))

	(a) Name and address of person subject to tax	(b) Taxpayer identification number
a		
b		
c		
d		

	(c) Tax on self-dealing - Schedule A, Part II, col (d), and Part III, col. (d)	(d) Tax on investments that jeopardize charitable purpose - Schedule D, Part II, col (d)	(e) Tax on taxable expenditures - Schedule E, Part II, col (d)	(f) Tax on political expenditures - Schedule F, Part II, col (d)
a				
b				
c				
d				
Total				

	(g) Tax on disqualifying lobbying expenditures - Schedule H, Part II, col (d)	(h) Tax on excess benefit transactions - Schedule I, Part II, col (d), and Part III, col (d)	(i) Tax on being a party to prohibited tax shelter transactions - Schedule J, Part II, col (d)	(j) Tax on taxable distributions - Schedule K, Part II, col (d)
a				
b				
c				
d				
Total				

	(k) Tax on prohibited benefits - Sch L, Part II, col (d), and Part III, col (d)	(l) Total - Add cols (c) through (k)
a		
b		
c		
d		
Total		

Part II-B Summary of Taxes (See Tax Payments in the instructions.)

1	Enter the taxes listed in Part II-A, column (l), that apply to managers, self-dealers, disqualified persons, donors, donor advisors, and related persons who sign this form. If all sign, enter the total amount from Part II-A, column (l)	1	
2	**Total tax.** Add Part I, line 12, and Part II-B, line 1	2	1,270.
3	Total payments including amount paid with Form 8868 (see instructions)	3	
4	**Tax due.** If line 2 is larger than line 3, enter amount owed (see instructions) ▶	4	
5	**Overpayment.** If line 2 is smaller than line 3, enter the difference. This is your refund ▶	5	

SCHEDULE A - Initial Taxes on Self-Dealing (Section 4941)

Part I Acts of Self-Dealing and Tax Computation

(a) Act number	(b) Date of act	(c) Description of act
1		
2		
3		
4		
5		

(d) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the act	(e) Amount involved in act	(f) Initial tax on self-dealing (10% of col (e))	(g) Tax on foundation managers (if applicable) (lesser of $20,000 or 5% of col (e))

Part II Summary of Tax Liability of Self-Dealers and Proration of Payments

(a) Names of self-dealers liable for tax	(b) Act no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Self-dealer's total tax liability (add amounts in col (c)) (see instructions)

Part III Summary of Tax Liability of Foundation Managers and Proration of Payments

(a) Names of foundation managers liable for tax	(b) Act no from Part I, col (a)	(c) Tax from Part I, col (g), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see instructions)

SCHEDULE B - Initial Tax on Undistributed Income (Section 4942)

1	Undistributed income for years before 2010 (from Form 990-PF for 2011, Part XIII, line 6d)	1	
2	Undistributed income for 2010 (from Form 990-PF for 2011, Part XIII, line 6e)	2	4,234.
3	Total undistributed income at end of current tax year beginning in 2011 and subject to tax under section 4942 (add lines 1 and 2)	3	4,234.
4	**Tax** - Enter 30% of line 3 here and on page 1, Part I, line 1	4	1,270.

SCHEDULE C - Initial Tax on Excess Business Holdings (Section 4943)

Business Holdings and Computation of Tax

If you have taxable excess holdings in more than one business enterprise, attach a separate schedule for each enterprise. Refer to the instructions for each line item before making any entries.

Name and address of business enterprise

Employer identification number ▶

Form of enterprise (corporation, partnership, trust, joint venture, sole proprietorship, etc.) ▶

		(a) Voting stock (profits interest or beneficial interest)	(b) Value	(c) Nonvoting stock (capital interest)
1 Foundation holdings in business enterprise	1	%	%	
2 Permitted holdings in business enterprise	2	%	%	
3 Value of excess holdings in business enterprise	3			
4 Value of excess holdings disposed of within 90 days; or, other value of excess holdings not subject to section 4943 tax (attach explanation)	4			
5 Taxable excess holdings in business enterprise - line 3 minus line 4	5			
6 Tax - Enter 10% of line 5	6			
7 **Total tax** - Add amounts on line 6, columns (a), (b), and (c); enter total here and on Part I, line 2	7			

SCHEDULE D - Initial Taxes on Investments That Jeopardize Charitable Purpose (Section 4944)

Part I Investments and Tax Computation

(a) Investment number	(b) Date of investment	(c) Description of investment	(d) Amount of investment	(e) Initial tax on foundation (10% of col (d))	(f) Initial tax on foundation managers (if applicable) - (lesser of $10,000 or 10% of col (d))
1					
2					
3					
4					
5					

Total - column (e). Enter here and on Part I, line 3

Total - column (f) Enter total (or prorated amount) here and in Part II, column (c), below

Part II Summary of Tax Liability of Foundation Managers and Proration of Payments

(a) Names of foundation managers liable for tax	(b) Investment no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

SCHEDULE E - Initial Taxes on Taxable Expenditures (Section 4945)

Part I Expenditures and Computation of Tax

(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Name and address of recipient	(e) Description of expenditure and purposes for which made
1				
2				
3				
4				
5				

(f) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the expenditure	(g) Initial tax imposed on foundation (20% of col (b))	(h) Initial tax imposed on foundation managers (if applicable) - (lesser of $10,000 or 5% of col (b))
Total - column (g). Enter here and on Part I, line 4		
Total - column (h). Enter total (or prorated amount) here and in Part II, column (c), below		

Part II Summary of Tax Liability of Foundation Managers and Proration of Payments

(a) Names of foundation managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (h), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see instructions)

SCHEDULE F - Initial Taxes on Political Expenditures (Section 4955)

Part I Expenditures and Computation of Tax

(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of political expenditure	(e) Initial tax imposed on organization or foundation (10% of col (b))	(f) Initial tax imposed on managers (if applicable) (lesser of $5,000 or 2 1/2% of col (b))
1					
2					
3					
4					
5					
Total - column (e). Enter here and on Part I, line 5					
Total - column (f). Enter total (or prorated amount) here and in Part II, column (c), below					

Part II Summary of Tax Liability of Organization Managers or Foundation Managers and Proration of Payments

(a) Names of organization managers or foundation managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see instructions)

Form **4720** (2011)

SCHEDULE G - Tax on Excess Lobbying Expenditures (Section 4911)

1	Excess of grassroots expenditures over grassroots nontaxable amount (from Schedule C (Form 990 or 990-EZ), Part II-A, column (b), line 1h). (See the instructions before making an entry.)	1	
2	Excess of lobbying expenditures over lobbying nontaxable amount (from Schedule C (Form 990 or 990-EZ), Part II-A, column (b), line 1i). (See the instructions before making an entry.)	2	
3	Taxable lobbying expenditures - enter the larger of line 1 or line 2	3	
4	**Tax** - Enter 25% of line 3 here and on Part I, line 6	4	

SCHEDULE H - Taxes on Disqualifying Lobbying Expenditures (Section 4912)

Part I Expenditures and Computation of Tax

(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of lobbying expenditures	(e) Tax imposed on organization (5% of col (b))	(f) Tax imposed on organization managers (if applicable) - (5% of col (b))
1					
2					
3					
4					
5					

Total - column (e). Enter here and on Part I, line 7

Total - column (f). Enter total (or prorated amount) here and in Part II, column (c), below

Part II Summary of Tax Liability of Organization Managers and Proration of Payments

(a) Names of organization managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see instructions)

SCHEDULE I - Initial Taxes on Excess Benefit Transactions (Section 4958)

Part I Excess Benefit Transactions and Tax Computation

(a) Transaction number	(b) Date of transaction	(c) Description of transaction
1		
2		
3		
4		
5		

(d) Amount of excess benefit	(e) Initial tax on disqualified persons (25% of col (d))	(f) Tax on organization managers (if applicable) (lesser of $20,000 or 10% of col (d))

SCHEDULE I - Initial Taxes on Excess Benefit Transactions (Section 4958) *Continued*

Part II Summary of Tax Liability of Disqualified Persons and Proration of Payments

(a) Names of disqualified persons liable for tax	(b) Trans no from Part I, col (a)	(c) Tax from Part I, col (e), or prorated amount	(d) Disqualified person's total tax liability (add amounts in col (c)) (see instructions)

Part III Summary of Tax Liability of 501(c)(3), (c)(4) & (c)(29) Organization Managers and Proration of Payments

(a) Names of 501(c)(3), (c)(4) & (c)(29) organization managers liable for tax	(b) Trans no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see instructions)

SCHEDULE J - Taxes on Being a Party to Prohibited Tax Shelter Transactions (Section 4965)

Part I Prohibited Tax Shelter Transactions (PTST) and Tax Imposed on the Tax-Exempt Entity (see instructions)

(a) Transaction number	(b) Transaction date	(c) Type of transaction 1 - Listed 2 - Subsequently listed 3 - Confidential 4 - Contractual protection	(d) Description of transaction
1			
2			
3			
4			
5			

(e) Did the tax-exempt entity know or have reason to know this transaction was a PTST when it became a party to the transaction? Answer **Yes** or **No**	(f) Net income attributable to the PTST	(g) 75% of proceeds attributable to the PTST	(h) Tax imposed on the tax-exempt entity (see instructions)
Total - column (h). Enter here and on Part I, line 9.			

Part II Tax Imposed on Entity Managers (Section 4965) *Continued*

(a) Name of entity manager	(b) Transaction number from Part I, col (a)	(c) Tax - enter $20,000 for each transaction listed in col (b) for each manager in col (a)	(d) Manager's total tax liability (add amounts in col (c))

SCHEDULE K - Taxes on Taxable Distributions of Sponsoring Organizations Maintaining Donor Advised Funds (Section 4966). See the instructions.

Part I Taxable Distributions and Tax Computation

(a) Item number	(b) Name of sponsoring organization and donor advised fund	(c) Description of distribution
1		
2		
3		
4		

(d) Date of distribution	(e) Amount of distribution	(f) Tax imposed on organization (20% of col (e))	(g) Tax on fund managers (lesser of 5% of col (e) or $10,000)

Total - column (f). Enter here and on Part I, line 10 . . . .

Total - column (g). Enter total (or prorated amount) here and in Part II, column (c), below . .

Part II Summary of Tax Liability of Fund Managers and Proration of Payments

(a) Name of fund managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (g) or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see instructions)

SCHEDULE L - Taxes on Prohibited Benefits Distributed From Donor Advised Funds (Section 4967).

See the instructions.

Part I Prohibited Benefits and Tax Computation

(a) Item number	(b) Date of prohibited benefit	(c) Description of benefit
1		
2		
3		
4		
5		

(d) Amount of prohibited benefit	(e) Tax on prohibited benefit (125% of col (d)) (see instructions)	(f) Tax on fund managers (if applicable) (lesser of 10% of col (d) or $10,000) (see instructions)

Part II Summary of Tax Liability of Donors, Donor Advisors, Related Persons and Proration of Payments

(a) Names of donors, donor advisor, or related persons liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (e) or prorated amount	(d) Donor, donor advisor, or related persons total tax liability (add amounts in col (c)) (see instructions)

Part III Tax Liability of Fund Managers and Proration of Payments

(a) Names of fund managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (f) or prorated amount	(d) Fund managers total tax liability (add amounts in col (c)) (see instructions)

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

▶	AUTHORIZED OFFICER	05/09/2012
Signature of officer or trustee	Title	Date

▶ Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person — Date

▶ Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person — Date

▶ Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person — Date

▶ Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person — Date

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
WESLEY HIRSCHBER		05/09/2012		P00162244

Firm's name ▶ THOMSON REUTERS (TAX & ACCOUNTING) Firm's EIN ▶ 75-1297386

Firm's address ▶ ONE NORTH DEARBORN ST., 5TH FLOOR Phone no 312-873-6900

May the IRS discuss this return with the preparer shown above? (see instructions). . . . . ☒ Yes ☐ No

Form **4720** (2011)

CCOUNTING FEES

	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
	600.			600.
TOTALS	600.	NONE	NONE	600.

√7

THER PROFESSIONAL FEES

	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
E-PRINCI	25.	25.
TOTALS	25.	25.

'AXES
====

	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
.	338.	
FIED FOR	57.	57.
'ALIFIED	17.	17.
TOTALS	412.	74.

OHN & VELMA HALEY CHARITABLE TRUST	Account Number	43-8586-01-
	Statement Period	01/01/11 - 12/31/1

JOHN B & VELMA ALICE HALEY TRUST
C/O WASHINGTON TRUST BANK
717 W SPRAGUE AVENUE
SPOKANE WA 99210

Administrator
Jan E Shelby (509) 358-8124
Jshelby@watrust Com

Asset Allocation

Asset Valuation

Description	Market Value	% of Account
Cash & Equiv	20,725 45	2 8
Fixed Income	395,156 51	53 5
Equities	322,565 36	43 7
Total Portfolio	$ 738,447 32	100 0

Market Reconcilement

	Current Period	Year To Date
eginning Market Value	$ 769,583 80	$ 769,583.8
ncome		
Interest	6,493 86	6,493 8
Dividends	16,669 85	16,669 8
Purchased Income	-357 61	-357 6
dditions	40 00	40 0
isbursements		
To/For Beneficiary	-34,002 00	-34,002 0
Fees/Expenses	-9,942 62	-9,942 6
ash Transfers	0 00	0 0
ealized Gains/(Losses)	15,021 81	15,021 8
hange IN Market Appreciation/(Depreciation)	-26,097 21	-26,097 2
on-Cash Asset Changes	1,037 44	1,037 4
nding Market Value	$ 738,447 32	$ 738,447 3

Asset Position As of 12/31/11

sset Description	Units	Market Value Cost	Est Annual Income	Current Yiel
ash Equivalents				
mo Prime Money Market Fund Cl I 090	20,725 450	20,725.45 20,725 45	46 00	0 23
otal Cash Equivalents		$ 20,725.45 $ 20,725 45	46 00	0 23
quities				
nvesco LTD	117 000	2,350 53 2,855.08	57 00	2 44
nvesco Real Estate Fund Inst #4725	1,027 285	23,504.28 14,728 34	280 00	1.19
T&T Inc Com	66 000	1,995 84 1,707 50	116 00	5.82
bbott Laboratories Com	60 000	3,373 80 3,250 20	115 00	3 41
merican Tower Corp Cl A	37 000	2,220.37 1,381.23		
pple Inc Com	8 000	3,240 00 1,504.56		
rtisan International Value Fund	701 365	17,597 25 16,860 54	9 00	0 06
ed Bath & Beyond Inc Com	46 000	2,666.62 1,663 95		
H Robinson Worldwide Inc Com New	46 000	3,209 88 2,703 88	60 00	1 89
SX Corp Com	134 000	2,822 04 1,918 67	64 00	2 28
hevron Corporation	53 000	5,639 20 3,865 72	171 00	3 05

OHN & VELMA HALEY CHARITABLE TRUST

Account Number 43-8586-01-
Statement Period 01/01/11 - 12/31/1

Asset Position As of 12/31/11

sset Description	Units	Market Value Cost	Est Annual Income	Curren Yiel
isco Sys Inc Com	152 000	2,748 16 3,345 52	36 00	1 33
omerica Inc Com	89 000	2,296 20 3,207 80	35 00	1 55
ostco Whsl Corp New Com	33 000	2,749 56 1,930 67	31 00	1 15
elaware Emerging Markets Fund lass I #20	349 869	4,362 87 5,290 76	58 00	1 34
iamond Hill Small Cap Fund Class I 69	143 940	3,349 48 3,148 18		
isney Walt Co Com	74 000	2,775 00 2,473 98	44 00	1 60
M C Corp Mass Com	104 000	2,240 16 1,731 28		
xpress Scripts Inc Com	51 000	2,279 19 2,519 03		
atixis Gateway Fund Class Y #1986	1,248.580	32,950.03 29,964 04	615 00	1 87
oldman Sachs Group Inc Com	24 000	2,170 32 3,777 43	33 00	1 55
oldman Sachs Mid Cap Value und - Inst	419.539	14,083 92 11,888 83	134 00	0 95
oodrich Corp Com	36 000	4,453 20 2,018 88	41 00	0 94
arding, Loevner International quity Portfolio - IN	1,357 139	18,131 38 20,619 44	153 00	0 85
einz H J Co Com	84.000	4,539 36 3,285 61	161 00	3 55
ess Corp Com	67 000	3,805 60 4,046 11	26 00	0 70

Asset Position As of 12/31/11

sset Description	Units	Market Value Cost	Est Annual Income	Curren Yiel
ome Depot Inc Com	79 000	3,321 16 2,225.74	91 00	2 76
ntel Corp Com	127 000	3,079 75 2,476.61	106 00	3 46
nternational Business Machs Corp om	17 000	3,125.96 2,109 67	51 00	1 63
P Morgan Chase & Co Com	75 000	2,493 75 3,194 70	75 00	3 01
acobs Engr Group Inc Com	78 000	3,165 24 3,274 33		
PMorgan Research Market Neutral und Inst #1781	2,099 407	30,231 46 31,848 00		
azard Emerging Markets ortfolio - IN	239 895	4,030 24 3,791 54		
mo Small-Cap Growth Fund Cl I # 964	199 636	3,465 68 3,105 45		
edtronic Inc Com	73 000	2,792 25 3,259.92	70 00	2 54
crosoft Corp Com	110 000	2,855 60 2,816 60	88 00	3.08
osaic Co New Com	33 000	1,664 19 1,676 07	6 00	0 40
under Midcap Core Growth und Class Y #32	535 657	15,121 60 10,919 06	4 00	0 03
ylan Inc Com	133 000	2,854 18 2,831 44		
ational-Oilwell Inc Com	79 000	5,371 21 3,324 96	37 00	0 71
extera Energy Inc Com	41.000	2,496 08 2,147 80	90.00	3 61

Asset Position As of 12/31/11

sset Description	Units	Market Value Cost	Est Annual Income	Curren Yiel
racle Corp Com	85 000	2,180 25 1,835 72	20 00	0 94
NC Finl Svcs Group Inc Com	52 000	2,998 84 3,187.81	72 00	2 43
hilip Morris Intl Inc Com	67 000	5,258 16 3,174 72	206.00	3 92
imco Commodity Realreturn Strategy und - Ins #45	2,704 698	17,688 72 21,619 12	5,387 00	30 46
raxair Inc Com	21 000	2,244 90 1,712.26	42 00	1 87
rocter & Gamble Co Com	72 000	4,803.12 4,525 73	151 00	3 15
rudential Finl Inc Com	51 000	2,556 12 3,194 69	73.00	2 89
ualcomm Inc Com	50 000	2,735 00 1,965 14	43 00	1 57
outhern Co Com	59 000	2,731 11 1,888 78	111.00	4 08
tarbucks Corp Com	70 000	3,220 70 1,368 30	47 00	1 48
empleton Institutional Foreign maller Company Fund #458	1,024 675	15,687 77 16,957 44	2 00	0 01
nitedhealth Group Inc Com	56 000	2,838.08 1,847 03	36 00	1 28
otal Equities		$ 322,565 36 $ 293,965 86	9,047 00	2 81

OHN & VELMA HALEY CHARITABLE TRUST

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Asset Position As of 12/31/11

sset Description	Units	Market Value Cost	Est Annual Income	Current Yiel
ixed Income				
isco Sys Inc Sr Nt 50% Dtd 02/22/2006 Due 02/22/2016 allable	10,000 000	11,637 30 11,254 20	550 00	4 73
ederal Home Loan Bks Cons Bds 625% Dtd 09/15/2008 Due 10/18/2013	15,000 000	15,860 10 15,237 30	543 00	3 43
ederal Farm Cr Bks Cons Systemwide ds 2 625% Dtd 04/17/2009 Due 4/17/2014 Non-Callable	15,000 000	15,726 60 14,866 80	393 00	2 50
ederal Farm Cr Bks Cons Systemwide ds 2 125% Dtd 06/18/2009 Due 6/18/2012	15,000.000	15,135 60 14,993 70	318 00	2 11
ederal Home Ln Mtg Corp 50% Dtd 04/08/2011 Due 05/27/2016 on-Callable	10,000 000	10,590 80 10,263 23	250 00	2 36
ederal Natl Mtg Assn 375% Dtd 06/14/2010 Due 07/28/2015 on-Callable	10,000 000	10,559.80 10,388 66	237 00	2 25
vy High Income Fund Cl I #475	2,184 923	17,413 84 18,550 00	1,247 00	7 16
PMorgan Chase & Co Nt 375% Dtd 10/01/2007 Due 10/01/2012 on-Callable	15,000 000	15,508 05 15,761 55	806 00	5.20
ccidental Pete Corp Del Sr Nt 45% Dtd 12/16/2010 Due 12/13/2013 allable	15,000 000	15,260 10 15,046 95	217.00	1 43
imco Emerging Local Bond Fund - Is 332	3,124 287	31,399 08 35,054 50	1,312.00	4 18
rocter & Gamble Co 80% Dtd 11/18/2010 Due 11/15/2015 allable	15,000 000	15,489 45 14,877 30	270 00	1 74

OHN & VELMA HALEY CHARITABLE TRUST

Account Number 43-8586-01-
Statement Period 01/01/11 - 12/31/1

Asset Position As of 12/31/11

sset Description	Units	Market Value Cost	Est Annual Income	Curren Yiel
S Bancorp Mtns Bk Ent Fr 20% Dtd 05/14/2009 Due 05/15/2014 on-Callable	20,000 000	21,412 40 20,894 00	840 00	3 92
S A Svgs Ser EE Issued 0/01/86 Due 10/01/2016	9,000 000	17,028 00 4,500 00		
S A Svgs Ser EE Issued 4/01/91 Due 04/01/2021	20,000 000	28,472 00 10,000 00		
S Treasury Note 000% Dtd 07/15/04 Due 07/15/2014 reasury Inflation Protection ecurity	24,025 400	25,900 58 25,151 72	480.00	1 86
S Treasury Note 625% Dtd 04/30/08 Due 04/15/2013 reasury Inflation Protection ecurity	21,426 000	21,801 17 20,402 45	133 00	0.61
S Treasury Note 375% Dtd 09/15/2009 Due 09/15/2012	15,000 000	15,134 25 14,985 16	206 00	1 36
S Treasury Note 25% Dtd 08/31/2010 Due 08/31/2015	15,000 000	15,400 80 15,385 99	187 00	1 22
anguard GNMA Fund Adm #536	6,813 603	75,426 59 72,709.35	2,365 00	3 14
otal Fixed Income		$ 395,156.51 $ 360,322 86	10,354 00	2 62
ash				
rincipal Cash		-5,694 95 -5,694 95		
ncome Cash		5,694 95 5,694 95		
otal Cash		$ 0 00 $ 0 00	0 00	0 00

OHN & VELMA HALEY CHARITABLE TRUST

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Asset Position As of 12/31/11

sset Description	Units	Market Value Cost	Est Annual Income	Curren Yiel
otal Market Value		$ 738,447 32 $ 675,014 17	19,447 00	2 64

0000

Income Activity

	Date	Income Cash	Principal Cash
nterest Income			
isco Sys Inc Nt			
.25% Dtd 02/22/2006 Due 02/22/2011			
allable			
nt To 02/22/11 on 15,000	02/22/11	393 75	
isco Sys Inc Sr Nt			
.50% Dtd 02/22/2006 Due 02/22/2016			
allable			
nt To 08/22/11 on 10,000	08/22/11	275 00	
ederal Home Loan Bks Cons Bds			
.625% Dtd 09/15/2008 Due 10/18/2013			
nt To 04/18/11 on 15,000	04/18/11	271 87	
nt To 10/18/11 on 15,000	10/18/11	271 87	
ederal Farm Cr Bks Cons Systemwide			
ds 2 625% Dtd 04/17/2009 Due			
4/17/2014 Non-Callable			
nt To 04/17/11 on 15,000	04/18/11	196 87	
nt To 10/17/11 on 15,000	10/17/11	196 87	
ederal Farm Cr Bks Cons Systemwide			
ds 2 125% Dtd 06/18/2009 Due			
6/18/2012			
nt To 06/18/11 on 15,000	06/20/11	159 37	
nt To 12/18/11 on 15,000	12/19/11	159 37	
ederal Home Ln Mtg Corp			
.50% Dtd 04/08/2011 Due 05/27/2016			
on-Callable			
nt 04/08/11 To 11/27/11 on 10000	11/28/11	159 03	