



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



Form **990-PF**

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

OMB No 1545-0052

2011Department of the Treasury
Internal Revenue Service

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

For calendar year 2011 or tax year beginning , and ending

Name of foundation BLUESTEM PRAIRIE FOUNDATION		A Employer identification number 27-0122565
Number and street (or P O box number if mail is not delivered to street address) 9222 BURT STREET, SUITE 309	Room/suite	B Telephone number (see instructions) 402-505-9552
City or town, state, and ZIP code OMAHA NE 68114		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 1,075,703 (Part I, column (d) must be on cash basis.)	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
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	157	157		
4	Dividends and interest from securities	54,359	54,359		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	-8,805			
b	Gross sales price for all assets on line 6a 189,457				
7	Capital gain net income (from Part IV, line 2)		0		
8	Net short-term capital gain		0		
9	Income modifications				
10a	Gross sales less returns & allowances				
b	Less. Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)				
12	Total. Add lines 1 through 11	45,711	54,516	0	
13	Compensation of officers, directors, trustees, etc.	0			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule) Stmt 2	949	949		
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions) Stmt 3	470	470		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (att sch) Stmt 4	4,144	4,144		
24	Total operating and administrative expenses. Add lines 13 through 23	5,563	5,563	0	0
25	Contributions, gifts, grants paid	50,800			50,800
26	Total expenses and disbursements. Add lines 24 and 25	56,363	5,563	0	50,800
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	-10,652			
b	Net investment income (if negative, enter -0-)		48,953		
c	Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see Instructions.

Form 990-PF (2011)

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	6,187	2,553	2,553
	2 Savings and temporary cash investments	78,347	124,131	124,131
	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 (att schedule) ▶ Less: allowance for doubtful accounts ▶	0		
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule) See Stmt 5	946,166	892,839	949,019
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶ Less: accumulated depreciation (attach sch) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶ Less: accumulated depreciation (attach sch) ▶			
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,030,700	1,019,523	1,075,703	
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)	0	0	
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			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	1,030,700	1,020,048	
30 Total net assets or fund balances (see instructions)	1,030,700	1,020,048		
31 Total liabilities and net assets/fund balances (see instructions)	1,030,700	1,020,048		

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	1,030,700
2 Enter amount from Part I, line 27a	2	-10,652
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	1,020,048
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,020,048

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 N/A				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (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				
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	
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	46,150	1,029,070	0.044846
2009	55,645	940,771	0.059148
2008	52,499	1,145,426	0.045834
2007	33,157	1,089,581	0.030431
2006	10,976	761,542	0.014413
2 Total of line 1, column (d)			2 0.194672
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 0.038934
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 1,108,576
5 Multiply line 4 by line 3			5 43,161
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 490
7 Add lines 5 and 6			7 43,651
8 Enter qualifying distributions from Part XII, line 4 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			8 50,800

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	490
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	490
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	490
6	Credits/Payments.		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	490
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	490
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	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be: Credited to 2012 estimated tax ☐ Refunded ☐	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
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)? 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
c Did the foundation file Form 1120-POL for this year?	N/A	
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		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?	N/A	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) ☐ NE		
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

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		
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► WILLIAM THOMS 9222 BURT ST, #309 Located at ► OMAHA	Telephone no ► 402-505-9552 ZIP+4 ► 68114		
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		
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►	16	Yes	No X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes	☒ No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes	☒ No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes	☒ No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes	☒ No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes	☒ No
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes	☒ No
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	1b
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	N/A	1c
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? If "Yes," list the years ► 20 , 20 , 20 , 20	☐ Yes	☒ No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.)	N/A	2b
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes	☒ No
b	If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)	N/A	3b
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?		X

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)?**N/A**☐

Organizations relying on a current notice regarding disaster assistance check here

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

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

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

If "Yes" to 6b, file Form 8870

6b**X****7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction?**N/A****7b****Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
S KYKER KRAUSS 2600 2ND AVE #215	SEATTLE WA 98121	PRESIDENT 10.00	0	0
GEORGE H KRAUSS 9222 BURT ST #309	OMAHA NE 68114	SECRETARY 1.00	0	0

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

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

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

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

Total number of others receiving over \$50,000 for professional services ▶**Part IX-A Summary of Direct Charitable Activities**

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

	Expenses
1 N/A	
2	
3	
4	

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

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

	Amount
1 N/A	
2	
3 All other program-related investments. See instructions.	

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	971,225
b	Average of monthly cash balances	1b	154,233
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	1,125,458
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	1,125,458
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	16,882
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,108,576
6	Minimum investment return. Enter 5% of line 5	6	55,429

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	55,429
2a	Tax on investment income for 2011 from Part VI, line 5	2a	490
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	490
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	54,939
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	54,939
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	54,939

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	50,800
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	
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	50,800
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	490
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	50,310

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				54,939
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			50,789	
b Total for prior years: 20____, 20____, 20____				
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				
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ 50,800				
a Applied to 2010, but not more than line 2a			50,789	
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2011 distributable amount				11
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
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				
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				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				54,928
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a				
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				

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

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			(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
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:

**S KYKER KRAUSS 402-505-9552
2600 2ND AVE #215 SEATTLE WA 98121**

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

NO SPECIFIED FORM

c Any submission deadlines:

NONE

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

NONE

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year See Statement 6				50,800
Total			► 3a	50,800
b Approved for future payment N/A				
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 _____				26		
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						157
4 Dividends and interest from securities						54,359
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						-8,805
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue: a _____						
b _____						
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)			0		0	45,711
13 Total. Add line 12, columns (b), (d), and (e)						45,711

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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

- i** Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
- a** Transfers from the reporting foundation to a noncharitable exempt organization of:
- (1)** Cash
 - (2)** Other assets
- b** Other transactions:
- (1)** Sales of assets to a noncharitable exempt organization
 - (2)** Purchases of assets from a noncharitable exempt organization
 - (3)** Rental of facilities, equipment, or other assets
 - (4)** Reimbursement arrangements
 - (5)** Loans or loan guarantees
 - (6)** Performance of services or membership or fundraising solicitations
- c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees
- 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.

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

[illegible]

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

☐ Yes ☒ No

- b** If "Yes," complete the following schedule

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

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

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

**Sign
Here**

Signature of officer or trustee.

Date _____

Title

PRESIDENT

Paid
Preparer
Use Only

Print/Type preparer's name _____

Preparer's signature

Date _____

Check ☐ if self-employed

BRIAN P. DERVIN

05/14/12

Firm's name ▶

Schleisman Onken & Associates PC

PTIN

P00642539

Firm's address ►

13434 A Street
Omaha, NE 68144

Firm's EIN ▶

47-0721744

Phone no

402-334-3089

Form **990-PF** (2011)

Federal Statements**Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets**

Description		How Received		Cost	Expense	Depreciation	Net Gain / Loss
Whom Sold	Date Acquired	Date Sold	Sale Price				
1650 CONAGRA FOODS INC	9/30/03	8/17/11	Purchase 39,457 \$	48,262 \$	\$	\$	-8,805
50000 SAFRA NATL BANK CD	8/04/10	2/07/11	Purchase 50,000	50,000			
50000 PRIVATEBANK CD	11/18/10	3/01/11	Purchase 50,000	50,000			
50000 BEAL BANK NV CD	2/22/11	8/31/11	Purchase 50,000	50,000			
Total			\$ 189,457	\$ 198,262	\$ 0	\$ 0	-8,805

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ACCOUNTING FEES	\$ 825	\$ 825	\$	\$
LEGAL FEES	124	124		
Total	\$ 949	\$ 949	\$ 0	\$ 0

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
INCOME TAX	\$ 450	\$ 450	\$	\$
TAXES - OTHER	20	20		
Total	\$ 470	\$ 470	\$ 0	\$ 0

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses	\$	\$	\$	\$
BANK CHARGES	103	103		
INVESTMENT FEES	4,029	4,029		
POSTAGE	12	12		
Total	\$ 4,144	\$ 4,144	\$ 0	\$ 0

Federal Statements

5/14/2012 9:18 AM

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
ABBOTT LABORATORIES 725	\$ 31,963	\$ 31,963	Cost	\$ 40,767
AUTO DATA PROCESSING 500	22,434	22,434	Cost	27,005
BECTON DICKINSON & CO 710	43,083	43,083	Cost	53,051
BECKLEY WR CORPORATION		40,002	Cost	46,942
CHEVRON CORPORATION 250	19,257	19,257	Cost	26,600
CME GROUP INC CL A 60	19,172	19,172	Cost	14,620
CME GROUP INC CL A 60	19,573	19,573	Cost	14,620
CONAGRA FOODS INC 1650	48,262		Cost	
DIAGEO PLC NEW ADR 535	30,525	30,525	Cost	46,770
GENERAL ELECTRIC COMPANY 1575	46,869	46,869	Cost	28,208
GENERAL ELECTRIC CO 955		15,096	Cost	17,104
HONEYWELL INTERNATIONAL 840	31,886	31,886	Cost	45,654
MFA MORTGAGE INVEST REIT 39433	300,719	300,719	Cost	264,990
MICROSOFT CORP 1460	34,406	34,406	Cost	37,902
MOODYS CORP 425	19,559	19,559	Cost	14,314
MOODYS CORP 675	24,551	24,551	Cost	22,734
PRIVATEBANK & TC CD	50,000		Cost	
SAFRA NATL BANK CD	50,000		Cost	
SIGMA ALDRICH CORP 1380	44,270	44,270	Cost	86,195
SPECTRA ENERGY CORP 1585		39,837	Cost	48,739
TE CONNECTIVITY LTD 575	18,635	18,635	Cost	17,716
TE CONNECTIVITY LTD 715	21,851	21,851	Cost	22,029
UNILEVER PLC ADR NEW 1070	28,380	28,380	Cost	35,866
WALGREEN COMPANY 1125	40,771	40,771	Cost	37,193
Total	\$ 946,166	\$ 892,839		\$ 949,019

Federal Statements

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description

NO SPECIFIED FORM

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description

NONE

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description

NONE

Federal Statements

5/14/2012 9:18 AM

Statement 6 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the

Year

Name		Address		Relationship	Status	Purpose	Amount
AMERICAN RED CROSS	OMAHA NE 68124		2912 S 80TH AVE	NONE	TAX-EXEMPT	CHARITY	2,000
BIDE-A-WEE			410 E 38TH ST	NONE	TAX-EXEMPT	CHARITY	1,000
BLUE BARN THEATRE	NEW YORK NY 10016		614 S 11TH STREET	NONE	TAX-EXEMPT	CHARITY	1,000
CHILD SAVING INSTITUTE	OMAHA NE 68102		4545 DODGE STREET	NONE	TAX-EXEMPT	CHARITY	7,000
EMPOWERMENT PROJECT	OMAHA NE 68132		8218 FARRINGTON MILL ROAD	NONE	TAX-EXEMPT	CHARITY	2,000
FILM STREAMS	CHAPEL HILL NC 27517		1340 MIKE FAHEY STREET	NONE	TAX-EXEMPT	CHARITY	6,000
FORT CALHOUN FIRE & RESCUE	OMAHA NE 68102		620 N 14TH STREET	NONE	TAX-EXEMPT	CHARITY	1,000
GIRLS, INC	FORT CALHOUN NE 68023		2811 NO 45TH ST	NONE	TAX-EXEMPT	CHARITY	2,500
JOSLYN ART MUSEUM	OMAHA NE 68104		2200 DODGE STREET	NONE	TAX-EXEMPT	CHARITY	1,000
JOSLYN CASTLE	OMAHA NE 68102		3902 DAVENPORT STREET	NONE	TAX-EXEMPT	CHARITY	3,000
JUVENILE DIABETES	OMAHA NE 68131		9202 W DODGE RD STE 304	NONE	TAX-EXEMPT	CHARITY	500
KANEKO-UNO LIBRARY	OMAHA NE 68114		1111 JONES ST	NONE	TAX-EXEMPT	CHARITY	1,000
KIOS-FM RADIO	OMAHA NE 68102		3215 CUMING ST	NONE	TAX-EXEMPT	CHARITY	300
KVNO-FM RADIO	OMAHA NE 68131		6001 DODGE STREET	NONE	TAX-EXEMPT	CHARITY	1,000
LOVELAND GARDENS	OMAHA NE 68182		9816 F STREET	NONE	TAX-EXEMPT	CHARITY	1,000
METROPOLITAN MUSEUM OF ART	OMAHA NE 68127		1000 5TH AVE	NONE	TAX-EXEMPT	CHARITY	1,000
NEBRASKA HUMANE SOCIETY	NEW YORK NY 10028-0198		8929 FORT STREET	NONE	TAX-EXEMPT	CHARITY	1,500
	OMAHA NE 68134		TAX-EXEMPT	NONE		CHARITY	

Federal Statements

5/14/2012 9:18 AM

27-0122565

FYE: 12/31/2011

Statement 6 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year (continued)

Name		Address		Relationship	Status	Purpose	Amount
Address							
NEBRASKA HUMANITIES COUNCIL		8929 FORT STREET		NONE	TAX-EXEMPT	CHARITY	500
OMAHA NE 68134		DEPT OF FINE ARTS		NONE	TAX-EXEMPT	CHARITY	1,000
NETV		1800 N 33RD		NONE	TAX-EXEMPT	CHARITY	1,000
LINCOLN NE 68503		1941 S 42ND STREET		NONE	TAX-EXEMPT	CHARITY	2,500
OLLIE WEBB CENTER		2918 N 60TH STREET		NONE	TAX-EXEMPT	CHARITY	4,000
OMAHA NE 68105		643 PARK AVENUE		NONE	TAX-EXEMPT	CHARITY	1,000
OMAHA PUBLIC LIBRARY		4610 S 133RD STREET		NONE	TAX-EXEMPT	CHARITY	1,000
OMAHA NE 68104		7110 F STREET		NONE	TAX-EXEMPT	CHARITY	500
PARK AVENUE ARMORY		8520 GROVER STREET		NONE	TAX-EXEMPT	CHARITY	2,000
NEW YORK NY 10065		1004 FARNAM STREET		NONE	TAX-EXEMPT	CHARITY	3,000
PLANNED PARENTHOOD		825 8TH AVE		NONE	TAX-EXEMPT	CHARITY	300
OMAHA NE 68137		PO BOX 1550		NONE	TAX-EXEMPT	CHARITY	1,200
PROJECT HARMONY		TAX-EXEMPT		NONE	TAX-EXEMPT	CHARITY	50,800
OMAHA NE 68117				NONE	TAX-EXEMPT	CHARITY	
SALVATION ARMY				NONE	TAX-EXEMPT	CHARITY	
OMAHA NE 68127				NONE	TAX-EXEMPT	CHARITY	
TAKE FLIGHT FARMS				NONE	TAX-EXEMPT	CHARITY	
OMAHA NE 68102				NONE	TAX-EXEMPT	CHARITY	
WNET PUBLIC BROADCASTING				NONE	TAX-EXEMPT	CHARITY	
NEW YORK NY 10019				NONE	TAX-EXEMPT	CHARITY	
WNYC PUBLIC RADIO				NONE	TAX-EXEMPT	CHARITY	
NEW YORK NY 10116-155				NONE	TAX-EXEMPT	CHARITY	
Total							

NOTICE
Pursuant to Internal Revenue Code Section 6104, notice is hereby given that the annual report as described in Internal Revenue Code Section 6033 for the fiscal year ending December 31, 2011 of the Blue Stem Prairie Foundation is available for inspection at the office of the accountant, Schelsman, Onken, and Associates-PC, 13434 A Street, Omaha, NE 68144 Monday through Thursday, between 8:30AM and 4:30 PM, for 180 days after this notice.
5-8-12

THE DAILY RECORD OF OMAHA

LYNDA K. HENNINGSSEN, Publisher
PROOF OF PUBLICATION

UNITED STATES OF AMERICA,
The State of Nebraska,
District of Nebraska,
County of Douglas,
City of Omaha,

} ss.

J. BOYD

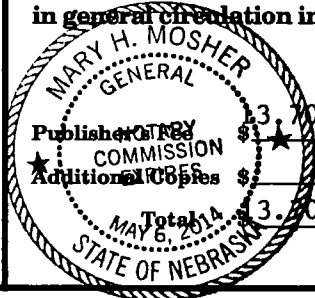
being duly sworn, deposes and says that she is

LEGAL EDITOR

of THE DAILY RECORD, of Omaha, a legal newspaper, printed and published daily in the English language, having a bona fide paid circulation in Douglas County in excess of 300 copies, printed in Omaha, in said County of Douglas, for more than fifty-two weeks last past; that the printed notice hereto attached was published in THE

DAILY RECORD, of Omaha, on
May 8, 2012

That said Newspaper during that time was regularly published and in general circulation in the County of Douglas, and State of Nebraska.



Subscribed in my presence and sworn to before
me this 8th day of
May 2012

Notary Public in and for Douglas County,
State of Nebraska