



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



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

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

2011

For calendar year 2011 or tax year beginning

, and ending

Name of foundation THE FOUNDATION FOR SUSTAINABILITY AND INNOVATION		A Employer identification number 33-0785572
Number and street (or P O box number if mail is not delivered to street address) PO BOX 149	Room/suite	B Telephone number (949) 497-2218
City or town, state, and ZIP code LAGUNA BEACH, CA 92652-0149		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 2,219,109. (Part I, column (d) must be on cash basis.)	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received					
2 Check <input checked="" type="checkbox"/> If the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		3,180.	3,180.	3,180.	STATEMENT 1
4 Dividends and interest from securities		30,908.	30,908.	30,908.	STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		862,698.			
b Gross sales price for all assets on line 6a		1,306,438.			
7 Capital gain net income (from Part IV, line 2)			862,698.		
8 Net short-term capital gain				N/A	
9 Income modifications					
10a Gross sales less returns and allowances		27,328.			STATEMENT 3
b Less Cost of goods sold		17,374.			STATEMENT 4
c Gross profit or (loss)		9,954.		9,954.	
11 Other income					
12 Total. Add lines 1 through 11		906,740.	896,786.	44,042.	
13 Compensation of officers, directors, trustees, etc		0.	0.	0.	0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees STMT 5		25.	0.	0.	0.
b Accounting fees STMT 6		1,300.	0.	0.	0.
c Other professional fees					
17 Interest					
18 Taxes STMT 7		2,928.	0.	0.	0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings		200.	0.	0.	0.
22 Printing and publications					
23 Other expenses STMT 8		160,471.	0.	0.	0.
24 Total operating and administrative expenses. Add lines 13 through 23		164,924.	0.	0.	0.
25 Contributions, gifts, grants paid		96,254.			96,254.
26 Total expenses and disbursements. Add lines 24 and 25		261,178.	0.	0.	96,254.
27 Subtract line 26 from line 12		645,562.			
a Excess of revenue over expenses and disbursements			896,786.		
b Net investment income (if negative, enter -0-)				44,042.	
c Adjusted net income (if negative, enter -0-)					

SCANNED MAY 31 2012

Revenue

Operating and Administrative Expenses

19 6/4

**THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION**

Form 990-PF (2011)

33-0785572

Page 2

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing					
	2 Savings and temporary cash investments			102,649.	1,200,900.	1,200,900.
	3 Accounts receivable ▶					
	Less: allowance for doubtful accounts ▶					
	4 Pledges receivable ▶					
	Less: allowance for doubtful accounts ▶					
	5 Grants receivable					
	6 Receivables due from officers, directors, trustees, and other disqualified persons					
	7 Other notes and loans receivable ▶					
	Less: allowance for doubtful accounts ▶			159,239.	0.	0.
	8 Inventories for sale or use					
	9 Prepaid expenses and deferred charges					
	10a Investments - U.S. and state government obligations					
	b Investments - corporate stock STMT 9			1,954,101.	915,689.	915,689.
	c Investments - corporate bonds STMT 10			73,979.	102,520.	102,520.
11 Investments - land, buildings, and equipment basis ▶						
Less: accumulated depreciation ▶						
12 Investments - mortgage loans						
13 Investments - other						
14 Land, buildings, and equipment basis ▶						
Less: accumulated depreciation ▶						
15 Other assets (describe ▶)						
16 Total assets (to be completed by all filers)			2,289,968.	2,219,109.	2,219,109.	
Liabilities	17 Accounts payable and accrued expenses					
	18 Grants payable					
	19 Deferred revenue					
	20 Loans from officers, directors, trustees, and other disqualified persons					
	21 Mortgages and other notes payable					
	22 Other liabilities (describe ▶)					
23 Total liabilities (add lines 17 through 22)			0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> X					
	24 Unrestricted			2,289,968.	2,219,109.	
	25 Temporarily restricted					
	26 Permanently restricted					
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>					
	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					
	30 Total net assets or fund balances			2,289,968.	2,219,109.	
	31 Total liabilities and net assets/fund balances			2,289,968.	2,219,109.	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	2,289,968.
2 Enter amount from Part I, line 27a	2	645,562.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	2,935,530.
5 Decreases not included in line 2 (itemize) ▶ NET UNREALIZED LOSS ON INVESTMENTS	5	716,421.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,219,109.

**THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION**

Form 990-PF (2011)

33-0785572 Page 3

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 RBC DAIN RAUSCHER			P		
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 1,306,438.		443,740.	862,698.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			862,698.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	2	862,698.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	3	862,698.

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	101,175.	2,059,814.	.049119
2009	157,316.	1,849,280.	.085069
2008	135,220.	2,262,134.	.059775
2007	164,699.	2,478,700.	.066446
2006	143,479.	2,355,260.	.060919

2 Total of line 1, column (d)	2	.321328
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	.064266
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	2,147,593.
5 Multiply line 4 by line 3	5	138,017.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	8,968.
7 Add lines 5 and 6	7	146,985.
8 Enter qualifying distributions from Part XII, line 4	8	96,254.

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

**THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION**

Form 990-PF (2011)

33-0785572

Page 4

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	17,936.
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	17,936.
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	17,936.
6 Credits/Payments			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	1,550.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	1,550.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	10.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	16,396.	
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	11		

Part VII-A Statements Regarding Activities

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?	Yes	No
1a		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
1b		
c Did the foundation file Form 1120-POL for this year?		X
1c		
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation \$ 0. (2) On foundation managers \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	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) CA		
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

N/A

Form 990-PF (2011)

**THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION**

Form 990-PF (2011)

33-0785572

Page 5

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14 The books are in care of ► RONALD H. CHILCOTE Telephone no ► 949-497-2218 Located at ► PO BOX 149, LAGUNA BEACH, CA ZIP+4 ► 92652-0149			
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	N/A	
16 At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►	16	Yes	No X

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

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

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

Form 990-PF (2011)

**THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION**

Form 990-PF (2011)

33-0785572

Page 6

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

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

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

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

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

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

6b

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
RONALD H. CHILCOTE	DIRECTOR			
PO BOX 149				
LAGUNA BEACH, CA 926520149	1.00	0.	0.	0.
FRANCES B. CHILCOTE	DIRECTOR			
PO BOX 149				
LAGUNA BEACH, CA 926520149	1.00	0.	0.	0.
EDWARD B. CHILCOTE	DIRECTOR			
PO BOX 149				
LAGUNA BEACH, CA 926520149	0.00	0.	0.	0.
STEPHEN H. CHILCOTE	DIRECTOR			
PO BOX 149				
LAGUNA BEACH, CA 926520149	0.00	0.	0.	0.

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

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

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

0

Form 990-PF (2011)

**THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION**

Form 990-PF (2011)

33-0785572

Page 7

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

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

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

Total number of others receiving over \$50,000 for professional services

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A (GRANTMAKING ONLY)	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

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

Form 990-PF (2011)

**THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION**

Form 990-PF (2011)

33-0785572 Page 8

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	1,897,700.
b Average of monthly cash balances	1b	282,597.
c Fair market value of all other assets	1c	0.
d Total (add lines 1a, b, and c)	1d	2,180,297.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	2,180,297.
4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	32,704.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,147,593.
6 Minimum investment return. Enter 5% of line 5	6	107,380.

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	107,380.
2a Tax on investment income for 2011 from Part VI, line 5	2a	17,936.
b Income tax for 2011 (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	17,936.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	89,444.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	89,444.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	89,444.

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	96,254.
b Program-related investments - total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	96,254.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	96,254.

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.

Form 990-PF (2011)

**THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION**

Form 990-PF (2011)

33-0785572

Page 9

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				89,444.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2011				
a From 2006	27,204.			
b From 2007	42,736.			
c From 2008	23,329.			
d From 2009	65,820.			
e From 2010				
f Total of lines 3a through e	159,089.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$	96,254.			
a Applied to 2010, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				89,444.
e Remaining amount distributed out of corpus	6,810.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	165,899.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	27,204.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	138,695.			
10 Analysis of line 9				
a Excess from 2007	42,736.			
b Excess from 2008	23,329.			
c Excess from 2009	65,820.			
d Excess from 2010				
e Excess from 2011	6,810.			

**THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION**

Form 990-PF (2011)

33-0785572 Page 10

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

1 a 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	
2 a 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).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:
 Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

SEE STATEMENT 11

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.

**THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION**

Form 990-PF (2011)

33-0785572 Page 11

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				
BYODYNAMIC FARMING & GARDENING	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	100.
CAMP STEVENS	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
CARE AND SHARE FOOD BANK FOR SOUTHERN COLORADO	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
COMMUNITY SERVICES UNLIMITED, INC.	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	4,000.
CONNOLLY RANCH	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
Total	SEE CONTINUATION SHEET(S)			96,254.
b Approved for future payment				
NONE				
Total				0.

Part XVII

- | | Yes | No |
|----------|-----|----|
| a) _____ | | X |
| b) _____ | | X |
| c) _____ | | X |
| d) _____ | | X |
| e) _____ | | X |
| f) _____ | | X |
| g) _____ | | X |
| h) _____ | | X |

[illegible]


☐ Yes ☒ No

b If "Yes," complete the following schedule

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

May the IRS discuss this return with the preparer shown below (see Instr)?

☒ Yes ☐ No

Print/Type preparer's name TIMOTHY D. EVANS, CPA	Preparer's signature 	Date 5/11/12	Check <input type="checkbox"/> if self-employed	PTIN P00050546
Firm's name ▶ VICENTI, LLOYD & STUTZMAN, LLP			Firm's EIN ▶ 95-2242818	
Firm's address ▶ 2210 E. ROUTE 66, SUITE 100 GLENORA, CA 91740			Phone no (626) 857-7300	

Form **990-PF** (2011)

THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION

33-0785572

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
CONSERVATION CORPS NORTH BAY	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
CROWN POINT ECOLOGY CENTER	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
EARTH CARE INTERNATIONAL	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	4,000.
EARTHCORPS	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	4,000.
ENVIRONMENTAL NATURE CENTER	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	5,000.
EQUITY TRUST	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	100.
FAIRVIEW GARDENS	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	100.
FRANCISCAN EARTH LITERACY CENTER	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	2,000.
GLADSTONE EDUCATION FOUNDATION	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	2,506.
GROWING GARDENS	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
Total from continuation sheets				83,154.

THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION

33-0785572

Part XV **Supplementary Information**

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
ILAN LAEL FOUNDATION	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	100.
JACKSON HOLE LAND TRUST	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	100.
LAAGUNA CYON FOUNDATION	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	100.
MAINE ORGANIC FARMERS AND GARDENERS ASSOCIATION	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
MATTHEW 25 MINISTRY HUB	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
MULTINATION EXCHANGE FOR SUSTAINABLE AGRICULTURE	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	5,000.
NACLA	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	100.
OCCIDENTAL ARTS AND ECOLOGY CENTER	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
ORGANIC FARMING RESEARCH FOUNDATION	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	100.
PERMACULTURE RESERACH INSTITUTE	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
Total from continuation sheets				

THE FOUNDATION FOR SUSTAINABILITY
AND INNOVATION

33-0785572

Part XV **Supplementary Information**

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
PLANTING JUSTICE	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	4,000.
QUEENS COUNTY FARM MUSEUM	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
SAMBURU PROJECT	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
SAN FRANCISCO PARKS TRUST C/O PRODUCE TO THE PEOPLE	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
SOUTH COAST RESOURCE CONSERVATION & DEVELOPMENT COUNCIL	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,848.
STONE BARNs CENTER FOR FOOD & AGRICULTURE	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	2,000.
THE NATURE CONSERVANCY	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	5,000.
THE POUGHKEEPSIE FARM PROJECT	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
THE ZOOLOGICAL SOCIETY OF SAN DIEGO	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	4,000.
VERTICAL HARVEST OF JACKSON HOLE	NONE	PUBLIC CHARITY	AGRICULTURAL RESEARCH	3,000.
Total from continuation sheets				

33-0785572

3 Grants and Contributions Paid During the Year (Continuation)**Total from continuation sheets**

October 2010 proposals – funded in January 2011

1st Grant Disbursement Report

Organization	Contact	Address	Amount
Samburu Project	Kristen Kosinski	2510 Main Street, Suite 202 Santa Monica, CA 90405	\$3,000
Crown Point Ecology Center	Christopher E. Norman	3220 Ira Road Bath, OH 44210	\$3,000
Camp Stevens	Peter Bergstrom	PO Box 2320 Julian, CA 92036	\$3,000
South Coast Resource Conservation & Development Council	Scott A Murray	4500 Glenwood Dr Riverside, CA 92501	\$3,848

2nd Grant Disbursement Report

Organization	Contact	Address	Amount
Community Services Unlimited, Inc.	Heather Fenney	P O Box 62696 Los Angeles, CA 90062	\$4,000
EarthCorps	Steve Dubiel	6310 NE 74th Street Suite 201E Seattle, WA 98115	\$4,000
Growing Gardens	Ramona Clark	1630 Hawthorn Ave Boulder, CO 80304	\$3,000
Gladstone Education Foundation	Marilyn D. Shrum	17789 Webster Rd Gladstone, OR 97027	\$2,506
Multinational Exchange for Sustainable Agriculture	Alison Malisa	2362 Bancroft Way, Suite 202 Berkeley, CA 94704	\$5,000
Conservation Corps North Bay	Marilee Eckert	27 Larkspur Street San Rafael, CA 94901	\$3,000
Earth Care International	Angela Harris	1235 Siler Road, Suite D Sante Fe, NM 87507	\$4,000
The Poughkeepsie Farm Project	Susan Grove	PO Box 3143 Poughkeepsie, NY 12603	\$3,000
Franciscan Earth Literacy Center	Sister Rita Wienken	194 St Francis Ave Tiffin, OH 44883	\$2,000
The Zoological Society of San Diego	Judy Kinsell	PO Box 120551 San Diego, CA 92112- 0551	\$4,000
San Francisco Parks Trust c/o Produce to the People	Maria D' Angelico	501 Stanyan St. San Francisco, CA 94117	\$3,000
Care and Share Food Bank for Southern Colorado	Charles Rice	2605 Preamble Point Colorado Springs, CO 90815	\$3,000

April 2011 Proposals – funded in June 2011

1st Grant Disbursement Report

Organization	Contact	Address	Amount
Connolly Ranch	Bob Pallas	3141 Browns Valley Napa, CA 94558	\$3,000
Environmental Nature Center	Bo Glover	1601 Sixteenth Street Newport, CA 92663	\$5,000
Matthew 25 Ministry Hub	Matt Mayer	225 K Ave. NW Cedar Rapids, IA 52405	\$3,000
Occidental Arts and Ecology Center	Carson Price	15290 Coleman Valley Road Occidental, CA 95465	\$3,000
Permaculture Research Institute	Paula Westmoreland	528 Hennepin Ave Suite 703 Minneapolis, MN 55403	\$3,000
Planting Justice	Gavin Raders	996 B 62nd St. Oakland, CA 94608	\$4,000
Queens County Farm Museum	Nichole Martini	73-50 Little Neck Parkway Floral Park, NY 11004	\$3,000
Stone Barns Center for Food & Agriculture	Erica Helms	630 Bedford Road Pocantico, NY 10591	\$2,000
Western Rivers Conservancy	David Wilkins	71 SW Oak Street Portland, OR 97204	\$5,000

2nd Grant Disbursement Report

Organization	Contact	Address	Amount
Maine Organic Farmers and Gardeners Association	Andrew Marshall	PO Box 170 Unity, ME 04988	\$3,000
The Nature Conservancy	Molly Hampton	258 Main Street, Suite 200 Lander, WY 82520	\$5,000
Vertical Harvest of Jackson Hole	Penny McBride	PO Box 7290 Jackson, WY 83002	\$3,000

total 95,354
+ Donations 900
96,254

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
RBC DAIN RAUSCHER INC	3,180.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	3,180.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
RBC DAIN RAUSCHER INC - DIVIDENDS(FSI)	5.	0.	5.
RBC DAIN RAUSCHER INC - DIVIDENDS(LWP)	30,474.	0.	30,474.
RBC DAIN RAUSCHER INC - MISC	429.	0.	429.
TOTAL TO FM 990-PF, PART I, LN 4	30,908.	0.	30,908.

FORM 990-PF

INCOME AND COST OF GOODS SOLD
INCLUDED ON PART I, LINE 10

STATEMENT 3

INCOME

1. GROSS RECEIPTS	45,591	
2. RETURNS AND ALLOWANCES	18,263	
3. LINE 1 LESS LINE 2		27,328
4. COST OF GOODS SOLD (LINE 15)	17,374	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		9,954
6. OTHER INCOME		
7. GROSS INCOME (ADD LINES 5 AND 6)		9,954

COST OF GOODS SOLD

8. INVENTORY AT BEGINNING OF YEAR		
9. MERCHANDISE PURCHASED		
10. COST OF LABOR		
11. MATERIALS AND SUPPLIES		
12. OTHER COSTS	17,374	
13. ADD LINES 8 THROUGH 12		17,374
14. INVENTORY AT END OF YEAR		
15. COST OF GOODS SOLD (LINE 13 LESS LINE 14) . .		17,374

FORM 990-PF	COST OF GOODS SOLD - OTHER COSTS	STATEMENT	4
-------------	----------------------------------	-----------	---

DESCRIPTION	AMOUNT
PRINTING COSTS	17,374.
TOTAL OTHER COSTS	17,374.

FORM 990-PF	LEGAL FEES	STATEMENT	5
-------------	------------	-----------	---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	25.	0.	0.	0.
TO FM 990-PF, PG 1, LN 16A	25.	0.	0.	0.

FORM 990-PF	ACCOUNTING FEES	STATEMENT	6
-------------	-----------------	-----------	---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	1,300.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 16B	1,300.	0.	0.	0.

FORM 990-PF	TAXES	STATEMENT	7
-------------	-------	-----------	---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FILING FEES	10.	0.	0.	0.
FEDERAL EXCISE TAX	2,769.	0.	0.	0.
SALES TAX	149.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	2,928.	0.	0.	0.

FORM 990-PF	OTHER EXPENSES			STATEMENT	8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
POSTAGE/DELIVERY	150.	0.	0.	0.	
WEBSITE	50.	0.	0.	0.	
OFFICE SUPPLIES	942.	0.	0.	0.	
MISCELLANEOUS	105.	0.	0.	0.	
BANK SERVICE CHARGES	1.	0.	0.	0.	
BAD DEBT EXPENSE	159,223.	0.	0.	0.	
TO FORM 990-PF, PG 1, LN 23	160,471.	0.	0.	0.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	9
DESCRIPTION	BOOK VALUE		FAIR MARKET VALUE	
COMMON STOCKS	915,689.		915,689.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	915,689.		915,689.	

FORM 990-PF	CORPORATE BONDS		STATEMENT	10
DESCRIPTION	BOOK VALUE		FAIR MARKET VALUE	
FIXED INCOME	102,520.		102,520.	
TOTAL TO FORM 990-PF, PART II, LINE 10C	102,520.		102,520.	

FORM 990-PF

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

STATEMENT 11

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

RONALD H. CHILCOTE
PO BOX 149
LAGUNA BEACH, CA 926520149

TELEPHONE NUMBER

(949)497-2218

FORM AND CONTENT OF APPLICATIONS

WRITTEN PROPOSALS; SEE ATTACHED VISION STATEMENT FOR PROPOSAL REQUIREMENTS.

ANY SUBMISSION DEADLINES

APRIL 1 (FOR CONSIDERATION IN MAY) AND OCTOBER 1 (FOR CONSIDERATION IN NOVEMBER) EACH YEAR.

RESTRICTIONS AND LIMITATIONS ON AWARDS

AWARDS MUST BE USED FOR ECOLOGY BASED AGRICULTURAL RESEARCH OR EDUCATION.