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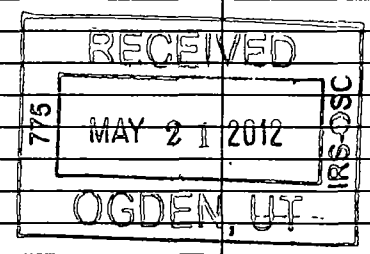
Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

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

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

Name of foundation THE MURCH FOUNDATION		A Employer identification number 34-6520188
Number and street (or P O box number if mail is not delivered to street address) 830 HANNA BUILDING		B Telephone number (see instructions) (216) 696-7070
Room/suite		
City or town, state, and ZIP code CLEVELAND, OH 44115		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
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation		D 1 Foreign organizations check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
<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) ▶ \$ 14,123,068.		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
J Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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))		(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 <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		301.	301.		ATCH 1
4 Dividends and interest from securities		466,741.	466,741.		ATCH 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		42,034.			
b Gross sales price for all assets on line 6a 135,000.					
7 Capital gain net income (from Part IV, line 2)			42,034.		
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)			-12,178.		ATCH 3
12 Total. Add lines 1 through 11		509,076.	496,898.		
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)		12,800.	12,800.		
c Other professional fees (attach schedule)					
17 Interest					
18 Taxes (attach schedule) (see instructions)		18,729.			
19 Depreciation (attach schedule) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule) ATCH 5		16,778.	16,578.		
24 Total operating and administrative expenses. Add lines 13 through 23		48,307.	29,378.		
25 Contributions, gifts, grants paid		1,074,000.			844,000.
26 Total expenses and disbursements. Add lines 24 and 25		1,122,307.	29,378.	0	844,000.
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		-613,231.			
b Net investment income (if negative, enter -0-)			467,520.		
c Adjusted net income (if negative, enter -0-)					



SCANNED MAY 21 2012

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	648.	974.	974.
	2	Savings and temporary cash investments	505,797.	464,111.	464,111.
	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) ATCH 6	16,660,782.	13,440,069.	13,440,069.
	c	Investments - corporate bonds (attach schedule) ATCH 7	468,320.	207,589.	207,589.
	11	Investments - land, buildings, and equipment basis Less: accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)			
	14	Land, buildings, and equipment basis Less: accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶ ATCH 8)	1,277.	10,325.	10,325.	
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	17,636,824.	14,123,068.	14,123,068.	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable	35,000.	230,000.	
	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)	35,000.	230,000.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	17,601,824.	13,893,068.	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <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 (see instructions)	17,601,824.	13,893,068.		
31	Total liabilities and net assets/fund balances (see instructions)	17,636,824.	14,123,068.		

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)	17,601,824.
2	Enter amount from Part I, line 27a	-613,231.
3	Other increases not included in line 2 (itemize) ▶ ATTACHMENT 9	-3,095,525.
4	Add lines 1, 2, and 3	13,893,068.
5	Decreases not included in line 2 (itemize) ▶	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	13,893,068.

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 SEE PART IV SCHEDULE				
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	42,034.
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	840,000.	16,548,438.	0.050760
2009	666,607.	12,807,125.	0.052050
2008	828,552.	16,416,335.	0.050471
2007	1,013,545.	20,549,857.	0.049321
2006	918,702.	18,661,918.	0.049229
2 Total of line 1, column (d)			2 0.251831
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 0.050366
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 16,185,486.
5 Multiply line 4 by line 3			5 815,198.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 4,675.
7 Add lines 5 and 6			7 819,873.
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			8 844,000.

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

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations that meet the section 4940(e) requirements', 'Tax under section 511', 'Credits/Payments', and 'Total credits and payments'. Total amount owed is 10,325.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Questions include: 'During the tax year, did the foundation attempt to influence any national, state, or local legislation?', 'Did it spend more than \$100 during the year for political purposes?', 'Did the foundation file Form 1120-POL for this year?', 'Has the foundation engaged in any activities that have not previously been reported to the IRS?', 'Did the foundation have at least \$5,000 in assets at any time during the year?'

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)
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)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
Website address N/A
14 The books are in care of CREIGHTON B. MURCH Telephone no 216-696-7070
Located at 830 HANNA BLDG., CLEVELAND OHIO CLEVELAND, OH ZIP + 4 44115
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? 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.

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 X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes X 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 X 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 X 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
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 X 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) 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? Yes X 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)? Yes No
 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? Yes No
 If "Yes" to 6b, file Form 8870
- 7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No
- b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

5b			X
6b			X
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
ATTACHMENT 10		0	0	0

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

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

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

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 -----		0

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 NOT APPLICABLE ----- -----	
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 NOT APPLICABLE ----- -----	
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	15,726,275.
b	Average of monthly cash balances	1b	705,690.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	16,431,965.
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	
3	Subtract line 2 from line 1d	3	16,431,965.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	246,479.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	16,185,486.
6	Minimum investment return. Enter 5% of line 5	6	809,274.

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	809,274.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	4,675.
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	4,675.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	804,599.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	804,599.
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	804,599.

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	844,000.
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	844,000.
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	4,675.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	839,325.

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				804,599.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only				
b Total for prior years 20 09, 20 08, 20 07				
3 Excess distributions carryover, if any, to 2011.				
a From 2006 8,202.				
b From 2007 18,962.				
c From 2008 24,631.				
d From 2009 53,037.				
e From 2010 40,023.				
f Total of lines 3a through e	144,855.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 844,000.				
a Applied to 2010, but not more than line 2a				
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				804,599.
e Remaining amount distributed out of corpus	39,401.			
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	184,256.			
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				
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)	8,202.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	176,054.			
10 Analysis of line 9				
a Excess from 2007 18,962.				
b Excess from 2008 24,631.				
c Excess from 2009 53,037.				
d Excess from 2010 40,023.				
e Excess from 2011 39,401.				

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

NOT APPLICABLE

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

<input type="checkbox"/>	4942(j)(3) or	<input type="checkbox"/>	4942(j)(5)
--------------------------	---------------	--------------------------	------------

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

	Tax year				(e) Total
	(a) 2011	(b) 2010	Prior 3 years		
			(c) 2009	(d) 2008	
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

ATTACHMENT 11

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

N/A

c Any submission deadlines

N/A

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

N/A

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 <i>Paid during the year</i> ATTACHMENT 12				
Total ▶ 3a				844,000.
b <i>Approved for future payment</i> ATTACHMENT 13				
Total ▶ 3b				230,000.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Table with 5 main columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include Program service revenue, Membership dues, Interest on savings, Dividends, Net rental income, Gain or loss from sales, and Subtotal.

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

Table with 2 columns: Line No. and 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.

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
135,000.		LUBRIZOL CORP (1,000 SHARES) 92,966.					42,034.	09/19/2011
TOTAL GAIN (LOSS)							<u>42,034.</u>	

ATTACHMENT 1

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
MONEY MARKET	301.	301.
TOTAL	<u>301.</u>	<u>301.</u>

ATTACHMENT 2

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
CORPORATE SECURITIES AND BONDS	466,741.	466,741.
TOTAL	<u>466,741.</u>	<u>466,741.</u>

ATTACHMENT 3

FORM 990PF, PART I - OTHER INCOME

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
LLP INVESTMENT OPERATING LOSS		-12,178.
TOTALS		<u>-12,178.</u>

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
FEDERAL EXCISE TAX	18,729.
TOTALS	<u>18,729.</u>

ATTACHMENT 5

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT MANAGEMENT FEES	16,575.	16,575.
STATE REGISTRATION FEE	200.	
MISCELLANEOUS	3.	3.
TOTALS	<u>16,778.</u>	<u>16,578.</u>

ATTACHMENT 6

FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SEE ATTACHMENT 15	16,660,782.	13,440,069.	13,440,069.
TOTALS	<u>16,660,782.</u>	<u>13,440,069.</u>	<u>13,440,069.</u>

ATTACHMENT 7

FORM 990PF, PART II - CORPORATE BONDS

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SEE ATTACHMENT 15	468,320.	207,589.	207,589.
TOTALS	<u>468,320.</u>	<u>207,589.</u>	<u>207,589.</u>

ATTACHMENT 8

FORM 990PF, PART II - OTHER ASSETS

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
FEDERAL EXCISE TAX RECEIVABLE	1,277.	10,325.	10,325.
TOTALS	<u>1,277.</u>	<u>10,325.</u>	<u>10,325.</u>

ATTACHMENT 9FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
PLEDGES BOOKED VS ACCRUED AND PAID	35,000.
UNREALIZED LOSS ON INVESTMENTS	-3,130,525.
TOTAL	<u>-3,095,525.</u>

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

ATTACHMENT 10

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>			
CREIGHTON B. MURCH 830 HANNA BLDG. CLEVELAND, OH 44115	PRESIDENT 4.00	0	0	0
ROBERT B. MURCH 830 HANNA BLDG. CLEVELAND, OH 44115	VICE PRES./SECRETARY 4.00	0	0	0
MAYNARD H. MURCH V 830 HANNA BLDG. CLEVELAND, OH 44115	VICE PRESID / TREAS. 4.00	0	0	0

GRAND TOTALS

ATTACHMENT 11

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

N/A

FORM 990FE, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 12

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

SEE ATTACHMENT 14

NONE
PUBLIC

GENERAL PURPOSE

844,000.

TOTAL CONTRIBUTIONS PAID

844,000.

FORM 990FE, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

ATTACHMENT 13

<u>RECIPIENT NAME AND ADDRESS</u>	<u>RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT</u>	<u>PURPOSE OF GRANT OR CONTRIBUTION</u>	<u>AMOUNT</u>
CLEVELAND INSTITUTE OF ART	PUBLIC	GENERAL PURPOSE	50,000.
THE HOLDEN ARBORETUM	PUBLIC	GENERAL PURPOSE	150,000.
NORTHWOOD UNIVERSITY	PUBLIC	GENERAL PURPOSE	20,000.
ARTHRITIS FOUNDATION, NEO CHAPTER	PUBLIC	GENERAL PURPOSE	10,000.
<u>TOTAL CONTRIBUTIONS APPROVED</u>			<u>230,000.</u>

THE MURCH FOUNDATION CONTRIBUTIONS

<u>EDUCATION</u>	<u>2011</u>
<u>Colleges & Universities</u>	
Baldwin -Wallace College	7,000
Berea College	55,000
Case Western Reserve University	11,000
Cleveland Institute of Art	37,000
Cleveland Institute of Music	5,000
Cleveland Scholarship Programs, Inc.	5,000
Hartwick College	6,000
John Carroll University	6,000
Kenyon College	6,000
Lake Erie College	8,000
Northwood University	25,000
Ohio Foundation of Independent Colleges	6,000
	<hr/>
	\$ 177,000
<u>Private Secondary</u>	
Andrews Osborne Academy	5,000
Julie Billiard School	6,000
Culver Military Academy	5,000
Gow School	8,000
Hawken School	5,000
Kiski School	8,000
Lake Catholic High School	5,000
Laurel School	5,000
Montessori School at Holy Rosary	5,000
Fine Arts Association	8,000
	<hr/>
	\$ 60,000
 Total Education	 \$ 237,000
	28.08%

<u>MEDICAL</u>	<u>2011</u>
<u>Hospitals</u>	
Cleveland Clinic Childrens	5,000
Lake Hospital Foundation	15,000
Lutheran Medical Center	8,000
Meridia Health Foundation	11,000
MetroHealth Foundation	10,000
University Hospitals	10,000
Total Hospitals	<u>\$ 59,000</u>
<u>Medical & Research</u>	
American Cancer Society	10,000
American Heart Association	10,000
Arthritis Foundation	14,000
DDC Clinic	5,000
Lake County Free Medical Clinic	4,000
Free Medical Clinic	4,000
Total Medical & Research	<u>\$ 47,000</u>
<u>Extended Care</u>	
Breckenridge Village	5,000
Hospice of the Western Reserve	5,000
Judson Retirement Community	3,000
Hattie Larlham Foundation	5,000
Our Lady of the Wayside	4,000
Total Extended Care	<u>\$ 22,000</u>
Total Medical	<u>\$ 128,000</u>
	15.17%

HUMAN SERVICES**2011**

American Red Cross	10,000
Camp Ho Mtia Koda	5,000
Cleveland Eye Bank	5,000
Cleveland Hearing & Speech Ctr	5,000
Cleveland Sight Center	5,000
Hopewell Inn	5,000
Lake County Blue Coats, Inc.	3,000
Society for Rehabilitation	6,000
Old Stone Fundation	4,000
Recovery Resources	3,000
Ronald McDonald House	5,000
Salvation Army	10,000
Shoes and Clothes for Kids	3,000
United Way Services	7,000
Vocational Guidance Services	10,000
Total Human Services	<u>\$ 86,000</u>
	10.19%

COMMUNITY & CIVIC ACTIVITIES

	<u>2011</u>
Boy Scouts of America - Cleveland	3,000
Boy Scouts of America - Lake County	5,000
Cleveland Play House Foundation	4,000
Shaker Square Area	2,000
Lake County YMCA	6,000
Lake Erie Girl Scout Council	5,000
Lake View Cemetary Foundation	5,000
Park Works Cleveland	5,000
Playhouse Square Foundation	5,000
Nature Center of Shaker Lakes	5,000
University Circle, Inc.	29,000
WVIZ-TV 25	5,000
Total Communit & Civic	\$ 79,000
	9.36%

MUSEUMS & CULTURAL

Cleveland Botanical Garden	6,000
Cleveland Museum of Art	7,000
Cleveland Museum of Natural History	145,000
Cleveland Zoological	15,000
Cuyahoga Valley Scenic Railroad	11,000
Great Lakes Science Center	4,000
Holden Arboretum	110,000
Western Reserve Historical Society	8,000
Total Museum & Culutual	\$ 306,000
	36.26%

MISCELLANEOUS

Great Cranberry Library	3,000
U.S. Olympic Committee	5,000
Total Miscellaneous	\$ 8,000
	0.95%

TOTALS **\$ 844,000**

THE MURCH FOUNDATION
SCHEDULE OF INVESTMENTS

December 31, 2011

<u>Shares or Par Value</u>		<u>Carrying Cost</u>	<u>Market Value</u>
<u>CORPORATE BONDS</u>			
100,000	HSBC Finance Corp, 5.350%, October 15, 2012	\$ 100,000	\$ 100,858
100,000	Natl. Rural Utilities, 5.400%, October 15,2013	100,000	106,731
		<u>200,000</u>	<u>207,589</u>
<u>CORPORATE SECURITIES</u>			
1,500	Abbot Laboratories	75,902	84,345
5,000	Altria	96,693	148,250
15,819	AT&T	69,652	478,367
500	Apple Inc.	112,030	202,500
2,000	Automatic Data Processing	80,506	108,020
4,442	Bank of America Corp.	27,897	24,698
3,000	Baxter International Inc.	70,590	148,440
4,000	BP plc	161,170	170,960
10,000	Bristol-Meyers Squibb	136,504	352,400
4,000	Caterpillar Inc.	246,837	362,400
2,000	Cisco Systems Inc.	33,160	36,160
3,000	Coca-Cola Co.	162,302	209,910
2,885	Conoco Phillips	96,942	210,230
2,000	Cypress Semiconductor Corp.	6,265	33,780
2,000	Diageo Plc New	149,963	174,840
3,000	Dow Chemical	53,401	86,280
5,000	DuPont El DeNemour	190,461	228,900
2,500	Duke Energy Corp.	43,262	55,000
2,500	Eagle Bulk Shipping	69,486	2,355
3,000	Eaton Corp.	114,099	130,590
35,000	Exxon Mobil Corp.	152,023	2,966,600
5,000	Ford Motor Co.	60,756	53,800
1,675	Frontier Communications	7,719	8,626
7,000	General Electric	70,088	125,370
1,500	HJ Heinz Co.	68,296	81,060
1,600	Illinois Tool Works	69,279	74,736
1,000	IBM	129,383	183,880
2,500	International Paper Co.	61,770	74,000
3,000	Johnson & Johnson	160,673	196,740
2,000	J.P Morgan Chase	83,495	66,500
2,000	Kimberly-Clark Corp.	123,596	147,120

THE MURCH FOUNDATION
SCHEDULE OF INVESTMENTS

December 31, 2011

<u>Shares or Par Value</u>		<u>Carrying Cost</u>	<u>Market Value</u>
1,000	Kinder Morgan Energy Partners	61,780	84,950
3,000	Eli Lilly & Co.	50,187	124,680
1,500	MASCO Corp.	47,311	15,720
4,000	McDonald's Corp.	240,702	401,320
2,000	Microchip Technology	56,402	73,260
2,000	Microsoft Corp.	61,061	51,920
1,500	National Presto Ind.	103,375	140,400
1,000	Parker-Hannifin Corp.	63,255	76,250
3,000	Pfizer	71,355	64,920
700	Philip Morris Intl. Inc.	26,375	54,936
691	PNC Financial Services Group	99,410	39,850
2,000	Procter & Gamble Co.	127,001	133,420
1,000	Raytheon Co.	45,018	48,380
3,000	Sonoco Products	86,991	98,880
548	Sunpower Corp. Cl. B	34,987	3,414
2,000	Texas Instruments	51,804	58,220
1,500	Transocean Ltd.	106,655	57,585
3,000	US Bancorp	82,022	81,150
6,980	Verizon Communications	114,541	280,037
90,000	Whirlpool Corp. (carried at fair market value at date of exchange)	826,875	4,270,500
1,000	Zimmer Holdings Inc	6,916	53,420
		<u>5,348,223</u>	<u>13,440,069</u>
		<u>\$ 5,548,223</u>	<u>\$13,647,658</u>

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2011

Name of estate or trust

THE MURCH FOUNDATION

Employer identification number

34-6520188

Note: Form 5227 filers need to complete only Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2010 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back	5	

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	42,034.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2010 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back	12	42,034.

For Paperwork Reduction Act Notice, see the instructions for Form 1041.

Schedule D (Form 1041) 2011

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
13	Net short-term gain or (loss)	13		
14	Net long-term gain or (loss):			
a	Total for year	14a		42,034.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a	15		42,034.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary

Part IV Capital Loss Limitation		16
16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of	()
a	The loss on line 15, column (3) or b \$3,000	

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet in the instructions to figure your capital loss carryover

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero

Caution: Skip this part and complete the Schedule D Tax Worksheet in the instructions if

- Either line 14b, col (2) or line 14c, col (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero Skip this part and complete the Schedule D Tax Worksheet in the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20	Add lines 18 and 19	20		
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0-	21		
22	Subtract line 21 from line 20 If zero or less, enter -0-	22		
23	Subtract line 22 from line 17 If zero or less, enter -0-	23		
24	Enter the smaller of the amount on line 17 or \$2,300	24		
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box <input type="checkbox"/> No. Enter the amount from line 23	25		
26	Subtract line 25 from line 24	26		
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27		
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29	Subtract line 28 from line 27	29		
30	Multiply line 29 by 15% (15)		30	
31	Figure the tax on the amount on line 23 Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)		31	
32	Add lines 30 and 31		32	
33	Figure the tax on the amount on line 17 Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)		33	
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)		34	

